

DAILY REPORT

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FOREIGN MINISTRY SPOKESMAN HOLDS WEEKLY BRIEFING

Bush's Upcoming Visit

OW091308 Beijing XINHUA in English 1304 GMT 9 Oct 85

["Foreign Ministry Spokesman on Bush's Visit to China" -- XINHUA headline]

[Text] Beijing, October 9 (XINHUA) -- U.S. Vice-President George Bush will discuss with Chinese leaders international and bilateral issues of common concern during his forthcoming visit to China, beginning October 13.

This was disclosed by a Foreign Ministry spokesman at a weekly press briefing here today.

He said Premier Zhao Ziyang will hold talks with him. Bush will also meet some other Chinese leaders here, he added.

In touring Chengdu, Bush will attend a ceremony for opening a U.S. Consulate General there.

In China's view, he said, Sino-U.S. relations have developed steadily over the past year and that exchanges between the two countries in all fields have increased ever since Premier Zhao and President Reagan exchanged visits. However, the spokesman pointed out, the Taiwan issue which is the main obstacle to the development of the Sino-U.S. relations, still remains unsolved and there are also problems to be settled in the Sino-U.S. economic cooperation.

Human Rights Issue

OW091236 Beijing XINHUA in English 1223 GMT 9 Oct 85

[Text] Beijing, October 9 (XINHUA) -- A Chinese Foreign Ministry spokesman dismissed as "utterly groundless" accusations made by Amnesty International against China over the question of human rights. He said this in response to a question from a foreign correspondent at a weekly news briefing here this afternoon.

He quoted the 35th article of China's Constitution as saying, "Citizens of the People's Republic of China enjoy freedom of speech, of the press, of assembly, of association, of procession and of demonstration." The question of "ideological offenders" does not exist in China. Only those who violate the criminal law shall be punished according to law, he added.

On Amnesty International's demand that China abolish death penalty, the spokesman said that the call was an indication that the organization treated China's legal system with certain Western legal concepts. He said whether a country shall retain or abolish death penalty is an internal affair of the country concerned, and is decided by its legislative body.

He said that in accordance with China's actual conditions and people's wishes, China will not abolish death penalty at present. He added China exercises a strict control over the application of death penalty which, he added, is meted out only to an extremely small number of the criminals deserving it.

Tian Jiyun To Visit Africa

OWO90936 Beijing XINHUA in English 0931 GMT 9 Oct 85

[Text] Beijing, October 9 (XINHUA) -- At the invitation of the Governments of the Democratic and Popular Republic of Algeria, the Republic of Tunisia, the Kingdom of Morocco and the Republic of Kenya, Vice Premier Tian Jiyun will pay an official, goodwill visit to these countries from late October to mid-November.

This was announced by the Foreign Ministry spokesman at a weekly news briefing here today.

PRC ENVOY TO U.S. ON RELATIONS WITH U.S., USSR

HK091034 Beijing ZHONGGUO XINWEN SHE in Chinese 0944 GMT 9 Oct 85

[Report: "Han Xu, PRC Ambassador to the United States, Speaks on Sino-U.S., Sino-Soviet Relations" -- ZHONGGUO XINWEN SHE headline]

[Text] Washington, 9 Oct (ZHONGGUO XINWEN SHE) -- From Los Angeles: On 7 October, at the invitation of California State University, Northridge, Han Xu, the newly appointed Chinese ambassador to the United States, delivered a speech entitled "Sino-U.S. Relations in 1985" at the opening ceremony for the second symposium on Chinese issues held on the campus.

Han Xu pointed out: China is the world's biggest developing country, while the United States is the biggest developed country. They can complement each other. China's current policy of opening up to the outside world has provided better conditions for U.S. investment and other economic activities. Sino-U.S. economic cooperation will help facilitate improvements in all fields of their bilateral relations. So long as this is based on equality and mutual benefit, Sino-U.S. friendship and relations can continue to develop. However on the path of development, there still remain obstacles. The major ones include U.S. restrictions on technology exports, trade protectionism, and the Taiwan issue. Ambassador Han Xu expressed the hope that the two countries could gradually eliminate their differences and develop their friendly relations as a result of the exchange of visits between their top leaders.

Responding to questions raised by participants of the symposium, Han Xu pointed out: The U.S. Government and public have always been deeply concerned with the problem of progress in Sino-Soviet relations. Recently, China and the Soviet Union have signed an agreement on promoting bilateral trade and there has been progress in trade and economic matters. However, if the Soviet Union does not stop supporting Vietnamese aggression against Cambodia, reduce the number of troops stationed on the Sino-Soviet border, and withdraw its troops from Afghanistan, significant progress in bilateral relations would be impossible.

ZHAO ZIYANG TO VISIT LATIN AMERICAN COUNTRIES

OWO90756 Beijing XINHUA in English 0751 GMT 9 Oct 85

[Text] Beijing, October 9 (XINHUA) -- Chinese Premier Zhao Ziyang will pay an official goodwill visit to Colombia, Brazil, Argentina and Venezuela from October 28 to November 12 at the invitation of the presidents of these four Latin American countries.

The premier will be accompanied on the visit by State Councillor Chen Muhua.

PRC OFFICIAL AT SEOUL IMF-WORLD BANK MEETING

OW091333 Beijing XINHUA in English 1313 GMT 9 Oct 85

[Text] Beijing, October 9 (XINHUA) -- A Chinese financial official told his foreign colleagues Tuesday that the improvement of the world economy will not be on a sustainable basis unless the economic difficulties of developing nations are solved.

Liu Hongru, first deputy governor of the People's Bank of China, expressed this view at the joint annual meetings of the International Monetary Fund (IMF) and the World Bank in Seoul, South Korea.

Stressing interdependent economic relations among different countries, Liu urged industrial countries to take into account the impact of their policies on the world economy as a whole, and on the developing nations in particular.

This year, signs of decline have shown themselves in the economy of some developing countries, while some other developing countries find themselves still in economic stagnation. Besides successive disasters, the deterioration of the Third World economic situation is caused to a great degree by policies and practices of major industrial countries such as huge fiscal deficits, high real interest rates, sharp fluctuation in foreign exchange rates, and widespread and rising protectionism.

Therefore, urgent efforts must be made by the international community to increase the transfer of real resources, particularly official development assistance to these countries, declared Liu, who is on a 22-member Chinese delegation to the four-day joint IMF-World Bank meetings in session from Tuesday.

On the debt problem, Liu said that in spite of its alleviation in the past two years, it is far from being resolved, and the debt burden of Latin American and African nations remain very heavy. The Third World debt figure is expected to reach one trillion dollars by the end of this year.

"It is our hope that in its future endeavor the IMF will re-orient its adjustment programs to emphasize growth rather than demand management, relax conditionality, and continue its enlarged access policy without further reducing access limits," said Liu.

"As the largest development financial institution," said the deputy governor of the People's Bank of China, "the World Bank should strengthen its financial and technical assistance to its member countries and promote flows from other sources to them."

Liu also urged the World Bank to make full use of its traditional strength in investment-oriented lending and mobilize the flow of other financing to developing countries.

GEORGE BUSH ON HOPES FOR IMPROVED TIES WITH PRC

OW090232 Beijing XINHUA in English 0220 GMT 9 Oct 85

[Text] Washington, October 8 (XINHUA) -- U.S. Vice President George Bush said today that the Reagan administration hopes to see a "steady improvement" in U.S. - China relations.

At a press conference this afternoon before leaving for China on an official visit, Bush said he will take the opportunity "to convey to the Chinese leadership our interest in participating in their drive for modernization, to show our support for the economic reforms being instituted (in China), and to demonstrate the broad, increasingly complex and progressive relationship which has developed between China and the United States." He added that "As China continues to modernize agriculture, public works and industry, we in the United States hope to further strengthen the trade and investment links between our countries."

Bush said that during his stay in Beijing he will meet with Chinese leaders to discuss "the much broader range of issues we now consider mutually important." "My talks constitute a series of high-level meetings on global, regional and bilateral issues." "One thing President Reagan and I are working to make consistent is the steady improvement of U.S. - China relations," he said.

The vice president told reporters that after his stay in Beijing he will go to Chengdu, capital of Sichuan Province, to open the fourth American General Consulate in China. The establishment of this consulate follows that of the new Chinese consulate in Chicago, which was opened during President Li Xiannian's visit to the United States in July. He said he will also visit the Guangzhou trade fair and see the Shenzhen special economic zone.

U.S. REJECTS INTERNATIONAL COURT JURISDICTION

OW072047 Beijing XINHUA in English 2013 GMT 7 Oct 85

[Text] Washington, October 7 (XINHUA) -- The U.S. State Department announced here today that the U.S. has formally ended its recognition of the option of compulsory jurisdiction of the International Court of Justice (ICJ).

"In accordance with the instructions of the President, on October 7, the secretary of state deposited with the secretary-general of the United Nations formal notice of termination of the United States' acceptance of the optional compulsory jurisdiction of the ICJ," said the State Department in a press statement. This action will become effective six months after the deposit of the notice.

The statement went on to say "The President has concluded that continuation of our acceptance of the court's compulsory jurisdiction would be contrary to our commitment to the principle of the equal application of the law and would endanger our vital national interests." "This action does not signify any diminution of our traditional commitment to international law and to the ICJ in performing its proper functions," the statement said, adding that "The U.S. will continue to make use of the court to resolve disputes whenever appropriate."

According to U.S. Administration officials the United States will continue to deal with the court only on "mutually submitted" disputes involving commercial, legal or border problems with other nations.

The impetus for the U.S. action was the case brought in April 1984 by Nicaragua against the United States, in which Nicaragua charged that the U.S. controls and directs Nicaraguan anti-government rebels in violation of international law.

RENMIN RIBAO ON REAGAN'S FOREIGN TRADE POLICIES

HK090418 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 9 Oct 85 p 6

["Newsletter From America" by Zhang Liang: "The Reagan Administration Is at a Crossroad on the Trade Issue"]

[Text] In regard to the trade issue, the tide of the demand for trade protectionism is surging in the U.S. Congress and spreading quickly. More than 300 import restriction bills have been put forward in Congress. There are plans to debate and vote on these bills soon. These bills cover a wide range of goods including automobiles, iron and steel, timber, textiles, shoes, ties, clothing, waterbeds, and mattresses. As Senate Majority Leader Robert Dole said: "The feeling in Congress about the adoption of action on trade issues is stronger now than anytime in the past." The Reagan administration has to make a hard decision to counter this surging tide.

Why is trade protectionism running rampant in Congress? On the one hand, it is because of the sharp increase in U.S. trade deficits each year; but on the other hand, there are political considerations for many congressmen.

According to statistics announced by the U.S. Commerce Department on 16 September, as U.S. trade deficits increased, the deficits for the ordinary items of U.S. international payments for the first 6 months of this year reached the excessive high of \$62.1 billion. By 1984, the total value of U.S. assets abroad was only \$28 billion more than that of foreign assets in the United States. The United States has shifted from a lender to a debtor state. Many congressmen blame other countries for the serious trade deficits; therefore, they have proposed imposing quota restrictions, additional tariffs, or import surcharges on imported commodities.

From a political point of view, there will be a mid-term election for Congress next year. The date of the election is still more than a year away, but congressmen of the two parties have already been making preparations. Of the 100 seats in the Senate, 34 are up for reelection. The Republicans now hold 22 of these seats and the Democrats hold 12. At present, the Republicans have only a weak majority of six seats. The Democrats, who suffered defeat in the general election last year, have time and again expressed their will to strive to win back the majority in the Senate in 1986. The Republicans have been making hard efforts to maintain their majority. In order to attain their respective goals, the congressmen of the two parties are now probing the situation and formulating their election strategies. At present, the trade deficit is an issue of relatively great concern. All the depressed industries are lobbying in Congress, demanding protection of the employment and interests of the companies in these industries. It is precisely under this pressure and influence that many congressmen are holding up the banner of "protecting American industries" in order to win the support of the voters. This is another major reason why trade protectionism is running rampant in Congress.

The Reagan administration has adopted a critical attitude toward trade protectionism in Congress. At a press conference on 17 September, Reagan said that trade protectionism can only lead to "economic disaster." But on the other hand, he warned some countries that they are practicing "unfair trade competition." Not long ago, he told some U.S. trade representatives to investigate the "unfair trade activities" of some U.S. trade partners and he has begun to hold talks with them.

He has threatened that if the talks fail, the United States will adopt "countermeasures." Sources say that Reagan will soon give an address on his government's trade policies. The speech will focus on the following: First, the rejection of wide-ranging trade barriers; second, the adoption of a hard line toward the "unfair trade activities" of other countries; and third, the formulation of new trade legislation.

The recent issue of U.S. NEWS AND WORLD REPORT carries an article which points out that economists hold that neither the trade barriers proposed by Congress nor Reagan's "announcement of war" against unfair trade activities is a panacea for solving the problem of the U.S. trade deficit. The crux of the issue is the budget deficit of \$200 billion a year and the excessively strong U.S. dollar. Some people estimate that about three-fourths of the U.S. trade deficit for 1981 was caused by the excessively strong dollar. Paul A. Volker, chairman of the Federal Reserve Board, and most others in economic circles hold that the root cause of the excessively strong dollar is the huge budget deficit of the Federal Government. Therefore, the most effective method to overcome the trade deficit is to sharply reduce the financial deficits of the Federal Government.

There are signs that the White House and the Congress will play their hand on the trade issue. Many economists have given the warning that practicing trade protectionism will provoke a chain reaction in other countries and thus lead to an international trade war. Then, not only the United States will eat its own bitter fruit, but great harm will be done to the world economy.

SHANGHAI ACCEPTS MCDONNELL DOUGLAS AIRPLANE

OW082211 Beijing XINHUA in English 1455 GMT 8 Oct 85

[Text] Shanghai, October 8 (XINHUA) -- Shanghai held a handing over ceremony for a McDonnell Douglas 80 airplane imported from the United States Monday.

The plane is part of the efforts of the Civil Aviation Administration of China (CAAC), to upgrade its fleet.

The plane, bought from the McDonnell Douglas Aircraft Co., has 134 seats and will soon be put into service on the scheduled flights between Shanghai and Japan and between Shanghai and Hong Kong.

CAAC imported A310 airbuses and shorts 360 passenger planes last summer.

HU QILI AT MEETING FOR PLA HEROES FIGHTING SRV

OW081623 Beijing XINHUA in English 1606 GMT 8 Oct 85

["Heroes on Fighting Vietnamese Invaders" -- XINHUA headline]

[Text] Beijing, October 8 (XINHUA) -- Two heroes and one heroine from the frontier troops in Yunnan Province, southwest China, made reports on fighting against the Vietnamese invaders in the Great Hall of the People here today. They received thunderous applause from the 10,000-strong audience. The speakers were combat hero Shi Guangzhu, a platoon leader, Qin Rong, leader of a meritorious first aid team, and soldier Sheng Qishun.

20-year-old Shi Quangzhu recounted how he had led his platoon in storming and capturing two key heights occupied by the enemy in the battle to recover Laoshan Mountain. He received eight serious wounds, losing his left eye and sustaining severe damage to his right. He said, "I would rather die making a step forward than step back half a pace to live." Qin Rong told the packed hall how her all-women team rescued wounded soldiers on more than 120 occasions under fire within one year. There are 30 members in her team aged between 17 and 42. Twelve of them are mothers, and eight joined the battle with their husbands. Soldier Sheng Qishun, 21, killed 10 enemies in battle, but he was seriously wounded when he was trying to shield his comrades-in-arms. He went to the meeting today in a wheelchair and his comrade gave a speech on his behalf, entitled "Strengthening the Communist Ideal in the Heat of Battle."

Zhu Houze, head of the Propaganda Department under the Central Committee of the Communist Party of China, said that what the heroes did showed their love for the party and the people, as well as patriotism. "The people of the whole country feel proud to have such brave children," he said.

Among the audience were Hu Qili, member of the Political Bureau of the CPC Central Committee; Qin Jiwei, alternate member of the Political Bureau; Wang Zhaoguo, member of the Secretariat of the party's Central Committee, and other party and government officials.

YAO YILIN MEETS MALAYSIAN COMMERCE DELEGATION

OW081541 Beijing XINHUA in English 1457 GMT 8 Oct 85

[Text] Beijing, October 8 (XINHUA) -- Chinese Vice-Premier Yao Yilin met a delegation from Malaysia headed by Nawawi Mat Awin, president of the National Chamber of Commerce and Industry, at the Great Hall of the People here this afternoon. Yao exchanged views with the Malaysian visitors on developing Sino-Malaysian trade.

Nawawi told the Chinese vice-premier that Malaysian Prime Minister Mahathir Bin Mohamed was very concerned about the development of bilateral trade between the two countries, and briefed the delegation on the issue before their visit.

Extending his welcome to the delegation, Yao said that both China and Malaysia hoped to expand direct trade between the two countries aimed at their national development. He held that, with common efforts by the two sides, the problems existing in the development of two-way trade could be gradually solved on the basis of mutual trust and friendship. The delegation arrived October 3 as guests of the China Council for the Promotion of International Trade.

FURTHER ON ANNIVERSARY OF PRC - BANGLADESH RELATIONS

Yao Yilin Attends Reception

OW041401 Beijing XINHUA in English 1051 GMT 4 Oct 85

[Text] Beijing, October 4 (XINHUA) -- Bangladesh Ambassador to China Enayetullah Khan gave a reception at the embassy this morning to mark the tenth anniversary of the establishment of diplomatic relations between Bangladesh and China. Present on the occasion were Chinese Vice Premier Yao Yilin, President of the Chinese People's Institute of Foreign Affairs Han Nianlong and others.

Both the ambassador and China's vice minister of foreign affairs, Liu Shuqing, spoke of the progress made between the two countries in politics, economics, trade and culture. They toasted their growing friendship and cooperation, the prosperity of the two countries.

Friendship Association Celebration

LD042250 Beijing XINHUA in English 1544 GMT 4 Oct 85

[Text] Beijing, October 4 (XINHUA) -- The Chinese People's Association for Friendship With Foreign Countries held a reception here tonight to celebrate the 10th anniversary of the establishment of diplomatic relations between China and Bangladesh.

Addressing the reception, Wang Fulin, vice-president of the association, said the past decade had witnessed a steady increase in political, economic, trade and cultural exchanges between the two countries. He said: "Our friendship has been built on the basis of mutual trust, equality and close cooperation, and so it will surely stand the test of time."

Bangladesh Ambassador A.Z.M. Enayetullah Khan who attended the reception, described the anniversary as an important milestone in relations between the two countries. Bangladesh and China enjoyed good relations economically and politically, he added.

Among those present tonight were Liao Hansheng, vice-chairman of China's National People's Congress Standing Committee, Liu Shuqing, vice-minister of foreign affairs, and Arwarul Amin, vice-chairman of the Bangladesh-China Friendship Association.

PRC Envoy Fetes Ties

OW041909 Beijing XINHUA in English 1843 GMT 4 Oct 85

[Text] Dhaka, October 4 (XINHUA) -- Deputy Chief Martial Law Administrator Sultan Ahmed said here this evening that the Bangladesh and Chinese peoples have been supporting and helping each other in the past decade.

Sultan Ahmed made the remark at a reception given by Chinese Ambassador Xiao Xiangqian to mark the tenth anniversary of the establishment of Bangladesh-Chinese diplomatic relations which falls on today. "Our two countries are both fighting against hunger, poverty and illiteracy and I believe our peoples will continue to stand together in the next decade," said Sultan Ahmed. The mutual support have been expanding into new areas particularly in trade and economic cooperation with many projects now being under construction and programs under preparation, he said.

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PRC INTERNATIONAL AFFAIRS
SOUTH ASIA

In the past decade more than a dozen agreements on economic cooperation have been signed which have boosted among other things the bilateral trade from 3.06 million U.S. dollars in 1976 to 110 million U.S. dollars in 1984.

In his speech, Xiao Xiangqian said the friendship and assistance between the two countries are genuine and reliable. He added that exchanges of high level visits had increased understanding between them and helped create a relationship of mutual trust.

Among more than 120 people present were Commerce Minister Kazi Zafar Ahmed, Home Minister Abdul Manan Siddique, Food Minister Mohabbat Jan Chowdhury, former President Khandaker Moshtaq Ahmed and former Prime Minister Ataul Rahman Khan.

BANGLADESH TO BUY NUCLEAR REACTOR FROM CANADA

OW070820 Beijing XINHUA in English 0714 GMT 7 Oct 85

[Text] Dhaka, October 7 (XINHUA) -- Bangladesh will import its second nuclear power reactor from Canada to feed its Western grid since the first was imported from the United States last February, THE NEW NATION reported today.

The English-language daily quoted Chairman Anwar Hossain of the Bangladesh Atomic Energy Commission as saying that Canada is ready to supply and finance the project. "Candu 300" type power reactor, manufactured by Atomic Energy of Canada Limited, was ready for immediate order. The Canadian Export Development Corporation is willing to consider request for financing 85 percent of the total export cost of the reactor and the remaining 15 percent could also be arranged from other Canadian sources, the chairman said.

Bangladesh imported its first nuclear reactor, a three-megawatt training nuclear reactor from the United States last February. The total cost of 4.5 million U.S. dollars was covered by the country itself.

Candu 300, with a generating capacity of 300 megawatt, is suitable to the grid in Bangladesh, he said. The cost of the proposed reactor is around 600 million U.S. dollars and its installation requires about six years.

Bangladesh ratified the Nuclear Non-proliferation Treaty in 1979 and the nuclear safeguard provisions of the International Atomic Energy Agency in 1980.

U.S. DEPUTY SECRETARY OF STATE IN BANGLADESH

OW081910 Beijing XINHUA in English 1433 GMT 8 Oct 85

[Text] Dhaka, October 8 (XINHUA) -- U.S. Deputy Secretary of State John Whitehead, who arrived here today for a two-day visit, said he would discuss a "broad range" of bilateral and international issues with Bangladesh leaders during his stay here.

In a statement to the press the U.S. deputy secretary described his visit as an opportunity to strengthen the existing "excellent" bilateral relations with Bangladesh. The biggest area in cooperation between the United States and Bangladesh is in economic development, he added.

He met President Hussain Mohammad Ershad hours after his arrival, but no details were given of their meeting. He is expected to meet Irrigation Minister Aninul Islam Mahmud and Foreign Secretary Faruq Chowdhury before leaving for Katmandu tomorrow afternoon. He flew in today from New Delhi.

REPORTAGE ON FRG BUNDESTAG DELEGATION VISIT

Geng Biao Hosts Banquet

OW071706 Beijing XINHUA in English 1627 GMT 7 Oct 85

[Text] Beijing, October 7 (XINHUA) -- A delegation from the Foreign Policy Committee of the Bundestag (parliament) of the Federal Republic of Germany was honored at a banquet hosted by the Foreign Affairs Committee of the Chinese National People's Congress (NPC) here this evening.

The delegation, headed by the Committee's chairman, Hans Stercken, arrived here this afternoon.

Geng Biao, vice-chairman of the NPC Standing Committee and chairman of the Foreign Affairs Committee, said at the banquet that China and Federal Germany enjoy good relations, especially in recent years. He went on to note that the cooperation and contacts between the two countries in the fields of trade, economy, science, technology and culture had been further strengthened. The NPC and the Bundestag also have very close contacts, Geng said. He was confident that the current visit by the delegation would further promote the friendly relations between the two countries and parliaments.

Stercken mentioned the friendship between the two peoples in his toast. He pointed out that the significance of foreign affairs rests on the progress of mankind and the safeguarding of world peace. He said, as both Federal Germany and China follow a foreign policy of peace, they can make contributions to world peace.

Meets Peng Zhen

OW081525 Beijing XINHUA in English 1509 GMT 8 Oct 85

[Text] Beijing, October 8 (XINHUA) -- Peng Zhen, chairman of the Standing Committee of the National People's Congress (NPC), said here today that economic development is a major task facing the people of the world, second only to that of safeguarding world peace.

Peng made the remark at a meeting with a delegation from the Foreign Policy Committee of the Bundestag (parliament) of the Federal Republic of Germany, led by its chairman, Hans Stercken, here this afternoon.

He noted that even the developed countries with surplus funds and advanced technology still face the problem of development. The developing states, including China, have rich resources and abundant manpower, he said. The developed countries will lose nothing if they transfer their advanced technology to the developing countries which offer a big market, he added.

Stercken noted that the two countries share identical views on concentrating strength on development and not on destruction. Federal Germany follows a policy of peace and development. "We are not afraid of others' development either, because their development means better trade partners for us," he said.

Speaking of the bilateral relations, Peng Zhen said there exist potentials and a solid foundation for the development of Sino-Federal German cooperation and friendship. Politically, the two countries are working hard to safeguard world peace and check world war; and economically, they stand for developing friendly relations and cooperation between all countries on the basis of equality and mutual benefit.

I. 9 Oct 85

G 2

PRC INTERNATIONAL AFFAIRS
WESTERN EUROPE

Geng Biao, vice-chairman of the Standing Committee and chairman of the Foreign Affairs Committee of the NPC, was present at the meeting.

This afternoon, the delegation held talks with Huan Xiang, member of the Standing Committee and vice-chairman of the Foreign Affairs Committee of the NPC.

YAO YILIN, ITALIAN CHAMBER DEPUTIES ON RELATIONS

OW081536 Beijing XINHUA in English 1515 GMT 8 Oct 85

[Text] Beijing, October 8 (XINHUA) -- Vice-Premier Yao Yilin met a delegation from the Industrial Committee of Italy's Chamber of Deputies led by Committee Chairman Severino Citaristi here today. Both sides expressed a strong desire for further expansion of economic and trade relations between China and Italy.

Yao described relations between the two countries as "very good." He said the delegation's current visit would help strengthen economic cooperation between China and Italy during the period of China's Seventh Five-Year Plan (1986-1990).

Citaristi said his delegation came here to gain a further understanding of the current situation of Sino-Italian relations so as to make preparations for expanding bilateral economic cooperation. He said the visit over the past few days had enabled them to learn about the objectives of China's Seventh Five-Year Plan and the stability of the country's policy of opening to the outside world. He said he believed in the likelihood of further growth of bilateral trade, because the Italian Government had a strong desire to promote it.

Yao also answered questions on foreign investment in China.

REPORTAGE ON TURKISH ASSEMBLY SPEAKER VISIT

Arrival in Beijing

OW071711 Beijing XINHUA in English 1558 GMT 7 Oct 85

[Text] Beijing, October 7 (XINHUA) -- A delegation from the Grand National Assembly of Turkey led by Speaker Necmettin Karaduman arrived here tonight on an 8-day friendly visit at the invitation of the Standing Committee of China's National People's Congress (NPC).

The Turkish guests were greeted at the airport by Ye Fei, vice-chairman of the NPC Standing Committee, and Lei Jieqiong, NPC Standing Committee member and head of the NPC China-Turkey Friendship Group.

Ye Fei at NPC Banquet

OW081705 Beijing XINHUA in English 1537 GMT 8 Oct 85

[Text] Beijing, October 8 (XINHUA) -- Sino-Turkish relations of friendship and cooperation have entered a new stage, said Ye Fei, vice-chairman of the Standing Committee of China's National People's Congress. Ye made this comment at a dinner here today in honor of a delegation from the Grand National Assembly of Turkey led by Speaker Necmettin Karaduman.

Cooperation had further developed since China and Turkey established diplomatic relations, he said. The two countries shared identical or similar views on major international issues, he added.

The NPC appreciated the efforts to maintain world peace made by the Turkish Government, Assembly and people, Ye said.

In reply, Karaduman expressed the belief that the good political relations between the two nations would lead to the expansion of their cooperation in the economic and other fields.

Talks With Ye Fei

OW081842 Beijing XINHUA in English 1438 GMT 8 Oct 85

[Text] Beijing, October 8 (XINHUA) -- Ye Fei, vice-chairman of the Standing Committee of China's National People's Congress (NPC), hoped that Chinese and Turkish parliaments would play their role in promoting of exchanges between the two countries during his talks with a visiting Turkish parliamentary delegation here this afternoon. The delegation is led by Speaker Necmettin Karaduman.

Ye Fei said that China and Turkey are countries with friendly ties. He pointed out that bilateral trade had made great progress and there was room for further growth.

The Turkish speaker said, "Turkey and China have experienced a similar path in their advance," and he was very pleased with the development of the political and economic relations between the two countries. He pointed out that the growth of bilateral relations would be beneficial to the safeguarding of world peace, and said that Turkey hoped to upgrade the level of its relations with China.

During the talks, Wu Bo, member of the NPC Standing Committee, gave a brief account of China's economic development and restructuring, as well as the policy of opening itself to the outside world. Bai Shouyi (Hui nationality), a leading Chinese historian, briefed the delegation on China's nationality policy.

FURTHER ON VISIT OF NETHERLANDS PARLIAMENTARIANS

Meet Li Xiannian

OW081348 Beijing XINHUA in English 1319 GMT 8 Oct 85

[Text] Beijing, October 8 (XINHUA) -- Chinese President Li Xiannian reaffirmed here today that China's current reforms will not change the country's socialist nature. He said that China's policies to open itself to the outside world and enliven its economy aim at developing the productive forces and raising the living standard of the people.

Li made these remarks during a meeting this afternoon with a delegation from the Second Chamber of the States General (parliament) of the Netherlands headed by President Dirk Dolman. He told the visitors China welcomes foreign investment, adding that it will continue to improve its legislation to protect the interests of foreign investors.

Dolman noted the speedy growth of China's economy and hoped to step up exchanges between the two countries to further their cooperation in the economic and other fields. [Beijing XINHUA Domestic Service in Chinese at 1611 GMT on 8 October carries a report on Li Xiannian's meeting with the Netherlands parliamentary delegation which adds...Vice Chairman of the NPC Standing Committee Rong Yiren and Netherlands Ambassador to China Smitsendonk were present at the meeting]

Meet Tian Jiyun

OW081529 Beijing XINHUA in English 1505 GMT 8 Oct 85

[Text] Beijing, October 8 (XINHUA) -- Chinese Vice-Premier Tian Jiyun met here today with a delegation from the Second Chamber of the States General (parliament) of the Netherlands headed by President Dirk Dolman.

Tian, who visited the Netherlands last June in company with Premier Zhao Ziyang, told the visitors that he was deeply impressed by their country's agricultural and industrial production. Tian said that China was very interested in the Netherlands' port construction and advanced management. He said that there were great potentials for economic and technological cooperation between the two countries and that China was taking active measures to enlarge their cooperation.

Dolman noted the expanding cooperation between the two countries and fast growth in trade. He said he was confident that this cooperation would be further enlarged.

[Beijing XINHUA Domestic Service in Chinese at 1608 GMT on 8 October carries a report on Tian Jiyun's meeting with the Netherlands parliamentary delegation which adds... Member of the NPC Standing Committee Zhang Zhen and Netherlands ambassador to China Smitsendonk were present at the meeting.]

Rong Yiren Attends Banquet

OW081712 Beijing XINHUA in English 1612 GMT 8 Oct 85

[Text] Beijing, October 8 (XINHUA) -- Dirk Dolman, president of the Second Chamber of the States General (parliament) of the Netherlands, gave a return banquet here this evening. Dolman, who is leading a delegation of the States General on a visit to China, said in his toast that during its three-day visit in Beijing, the delegation had met with both veteran and new leaders of China. He hoped the friendship and mutual understanding between the two countries' legislative bodies and peoples would be constantly strengthened. Rong Yiren, vice-chairman of the Standing Committee of the National People's Congress, responded that the visit by the delegation would have a positive impact on the development of Sino-Dutch political and economic relations.

LUXEMBOURG'S PRIME MINISTER LEAVES PRC FOR HOME

OW040844 Beijing XINHUA in English 0650 GMT 4 Oct 85

[Text] Beijing, October 4 (XINHUA) -- Jacques Santer, the Grand Duchy of Luxembourg's prime minister, minister of state and minister of finance, and his wife wound up their nine-day unofficial visit to China and left here this morning. They were seen off at the airport by Chinese Vice-Minister of Foreign Affairs Zhou Nan. During their stay in China, the Santer family visited Beijing, Xian and Guilin.

CHEN MUHUA MEETS BRITISH BANK CHAIRMAN

OW050806 Beijing XINHUA in English 0727 GMT 5 Oct 85

[Text] Beijing, October 5 (XINHUA) -- State Councillor and President of the People's Bank of China Chen Muhua met here this morning Sir Donald Barron, chairman of the Midland Bank of Britain, and his party. Barron and his party arrived here on October 1 at the invitation of Bank of China. The two banks have been acting as each other's agent since 1960.

FURTHER REPORTAGE ON VISIT OF ROMANIAN PRESIDENT

Talks With Zhao Ziyang

OW081320 Beijing XINHUA in English 1311 GMT 8 Oct 85

[Text] Beijing, October 8 (XINHUA) -- Chinese Premier Zhao Ziyang said here today that it is China's unswerving policy to develop a long-term, stable and all-round co-operative and friendly relationship, including economic relations, with Romania. He emphasized that this policy will not change no matter what happens. Zhao made these remarks while he held talks with Romanian President Nicolae Ceausescu this afternoon.

During the talks, Zhao and Ceausescu exchanged views on bilateral economic cooperation and trade relations, and reached full agreement. They also discussed the goal and scale of the development of bilateral economic cooperation and trade in the next five years. Sources said that bilateral trade would be increased year after year in the 1986-90 period.

Zhao said political relations between China and Romania are good, and their economic and trade relations have also registered a sound development in the past few years. He said there was a tendency of stable growth in bilateral trade, with forms of trade further diversified and economic cooperation expanded.

Ceausescu said today's talks opened new prospects for further growth of friendly relations between the two parties and two countries. He said Romania is determined to do its best to further such relations.

Attends Performance

OW081516 Beijing XINHUA in English 1508 GMT 8 Oct 85

[Text] Beijing, October 8 (XINHUA) -- Romanian President and General Secretary of the Romanian Communist Party Nicolae Ceausescu and Elena Ceausescu attended a performance of song and dances here this evening.

Hu Qili, member of the Political Bureau and the Secretariat of the Chinese Communist Party Central Committee, Qian Liren, head of the International Liaison Department of the CPC Central Committee, and Qian Qichen, vice-minister of foreign affairs, accompanied the Ceausescu at the performance which was sponsored by the Chinese Ministry of Culture.

Presents Medal to Deng Xiaoping

OW090854 Beijing XINHUA in English 0838 GMT 9 Oct 85

[Text] Beijing, October 9 (XINHUA) -- The visiting Nicolae Ceausescu, general secretary of the Romanian Communist Party and president of the Socialist Republic of Romania, conferred the first class medal "Star of the Socialist Republic of Romania" on China's senior leader Deng Xiaoping, here this morning. Deng is chairman of the Chinese Communist Party Central Advisory Commission.

The announcement awarding the medal was made on August 21, 1984, by the Romanian Communist Party Central Committee, the Romanian State Council and the Romanian Government, to celebrate Deng's 80th birthday.

Today's ceremony was held at the Great Hall of the People.

In his speech, Ceausescu praised Deng's contributions to the development of relations between the two parties, the two governments, and the two peoples of Romania and China. He said that Deng had worked untiringly for the promotion of socialism, peace and international cooperation. He said the new understanding reached between the two countries during his present visit would insure the development of bilateral relations not only in the field of politics but also in the fields of economics, science and technology, and culture. Ceausescu wished Deng good health, long life, full vigor, and happiness to the Chinese people.

In reply, Deng said to receive the medal from Ceausescu was not only a great honor to himself personally, but, what was more important, reflected the sentiments of the Romanian Communist Party, the Romanian Government and people for the Chinese Communist Party, the Chinese Government and people. Deng described relations between the two parties and countries as "very good," saying that such relations were based on the principles of Marxism-Leninism and proletarian internationalism and had stood the test of time. The friendship, unity and cooperation between China and Romania not only serves the interests of their people, but also helps to safeguard world peace, he added.

Deng said that he, the Chinese Communist Party, the Chinese Government and people would, as always, work hard to insure a long-term, stable Sino-Romanian friendship.

Talks With Deng Xiaoping

OWO91248 Beijing XINHUA in English 1231 GMT 9 Oct 85

[Text] Beijing, October 9 (XINHUA) -- Chinese leader Deng Xiaoping said here today that so long as people from all over the world work together, wars can be prevented and peace will be won. He noted changes in the world and the considerable growth of the forces of peace and for preventing wars.

Deng Xiaoping, chairman of the Central Advisory Commission of the Chinese Communist Party, made these remarks at a meeting with Nicolae Ceausescu, general secretary of the Romanian Communist Party and president of Romania, and Elena Ceausescu.

Deng talked about his views of the international and domestic situation during the 80-minute meeting. He and Ceausescu also discussed bilateral relations between the two countries.

While drawing attention to dangers of a possible global war, Deng said that the forces of peace, the forces for preventing war have been growing, making it difficult for the two superpowers to start a war. He explained that based on this evaluation of the world explained that based on this evaluation of the world situation, China has decided to go all out in economic construction and to reduce its Armed Forces by one million people. Pursuing an independent foreign policy, China opposes hegemonism, no matter who practises it. China's policy has in recent years proved to be correct and beneficial to the safeguarding of world peace, he added. Deng Xiaoping pointed out that China, with its large population, vast territory and independent foreign policy, acts as a force to prevent war.

Ceausescu responded that Romania shares China's views on maintaining an independent stance and on issues of war and peace. He also shared Deng's view that the forces for peace are growing and that peace can be preserved so long as the people of all countries work together. Ceausescu expressed the hope that Romania and China will continue to cooperate in the international arena.

Deng Xiaoping told Ceausescu that China is doing the right thing in launching the economic reform. The reform is an experiment, he said, but it will succeed although some problems have surfaced in the process. "With regard to the problems," Deng said, "We have taken steps to correct them and our efforts have yielded results. This experience is useful in drafting our Seventh Five-Year Plan." Referring to Sino-Romanian relations, Deng said that they are extraordinary, and the two sides should increase their cooperation.

Ceausescu said that "Romania and China have come to a very good understanding during this visit." He also hoped to see a bigger development in the relations between the two parties and the two countries.

Among those present at the meeting were Li Peng, member of the Political Bureau of the Chinese Communist Party Central Committee and vice-premier, and Chen Muhua, alternate member of the Political Bureau of the Chinese Communist Party Central Committee and state councillor.

Comparison of Talks With Li Xiannian

Beijing XINHUA Domestic Service in Chinese at 1420 GMT on 8 October carries a report on the talks between Nicolae Ceausescu, general secretary of the Romanian Communist Party and president of the Socialist Republic of Romania and Li Xiannian, member of the Standing Committee of the Political Bureau of the CPC Central Committee and president of the PRC. The Chinese report has been compared with the XINHUA English version published in the 8 October China DAILY REPORT, page H 3, revealing the following variations:

Last paragraph in Chinese version reads:...Present at the talks from the Romanian side were Elena Ceausescu and Ion Dinca, members of the Executive Political Committee of the Romanian Communist Party Central Committee and first deputy prime ministers; Stefan Andrei, alternate member of the Executive Political Committee of the Romanian Communist Party Central Committee and foreign minister; and Paula Prioteasa, deputy minister of foreign trade and international economic cooperation. Present at the talks from the Chinese side were Li Peng, member of the Political Bureau of the CPC Central Committee and vice premier of the State Council; Chen Muhua, alternate member of the Political Bureau of the CPC Central Committee and state councillor, Li Shuzheng, deputy director of the International Liaison Department of the CPC Central Committee; and Qian Qichen, vice foreign minister. Chinese Ambassador to Romania Yu Hongliang and Romanian Ambassador to China Angelo Miculescu were also present at the talks. (adding names of officials present)

HU YAOBANG, ZHAO ZIYANG MEET SFRY OFFICIALS

OW090751 Beijing XINHUA in English 0742 GMT 9 Oct 85

[Text] Beijing, October 9 (XINHUA) -- General Secretary of the Chinese Communist Party Central Committee Hu Yaobang and Premier Zhao Ziyang met here this morning on separate occasions Dobroslov Culafic, federal secretary of internal affairs of Yugoslavia, and his party. Also present were Qiao Shi, member of the Political Bureau of the Chinese Communist Party Central Committee; Ruan Chongwu, minister of public security; and Jia Chunwang, minister of state security.

YANG JINGREN ADDRESSES DEMOCRATIC PARTIES MEETING

OW080859 Beijing XINHUA Domestic Service in Chinese 1208 GMT 6 Oct 85

[By reporters Zou Aiguo and Sun Yong]

[Text] Beijing, 6 Oct (XINHUA) -- The meeting sponsored by democratic parties and the All-China Federation of Industry and Commerce to commend advanced collectives and individuals that have distinguished themselves in serving the four modernizations closed in Beijing today. It urged members of all democratic parties and the All-China Federation of Industry and Commerce to properly study the guidelines set forth by the National Conference of Party Delegates, and to unite and make new contributions to China's rejuvenation and reunification.

During the 5-day meeting, which was held successfully and enthusiastically, written speeches by 404 advanced collectives and individuals were distributed and 40 representatives took the floor. The speeches fully reflected the new outlook and new achievements of the members of all democratic parties and the All-China Federation of Industry and Commerce.

Zhou Gucheng, Yan Jici, Yang Jingren, Hu Ziang, Qian Changzhao, Zhou Peiyuan, Wang Guangying, Fei Xiaotong, Ma Wenrui, Mao Yisheng, Liu Jingji, and others attended the closing session, which was chaired by Zhu Xuefan and Hu Yuzhi.

Amid warm applause, the meeting presented certificates of achievement and prizes to the advanced collectives and individuals, and adopted a proposal.

Addressing the session, Yang Jingren, head of the United Front Department of the CPC Central Committee, praised the meeting for boosting morale in building socialist material and spiritual civilization by giving a vivid patriotic example. He said to the representatives: Your advanced deeds not only show the outstanding services you have performed in achieving the four modernizations; they have also clearly demonstrated your hard struggle and perseverance in building a stronger China, your courage in achieving still greater successes, and your noble character of serving the people wholeheartedly. Yang Jingren urged all democratic parties and the All-China Federation of Industry and Commerce to continue to give full scope to their political consultative and supervisory role by taking an active part in the state's political activities; to continue to contribute to restructuring the administrative system, opening to the outside world, and enlivening the domestic economy by subordinating their work to socialist modernization; to achieve a fundamental change for the better in the standard of social conduct by actively promoting socialist ethics; and to broaden the patriotic united front by promoting contacts with countrymen in Taiwan, Hong Kong, Macao, and other countries.

Zhou Gucheng delivered the closing speech on behalf of the meeting's presidium. He urged the various democratic parties and the All-China Federation of Industry and Commerce to do the following tasks well after the meeting: To earnestly study the documents of the National Conference of Party Delegates and the 4th and 5th Plenary Sessions of the 12th CPC Central Committee; to actively encourage their members to take part in various reform projects; to actively take part in promoting socialist ethics; to work hard to promote the peaceful reunification of the motherland; and to strengthen themselves and heighten their members' political consciousness and professional proficiency. Zhou Gucheng also urged all those attending the meeting to do a good job in studying, propagating, and implementing the guidelines set forth by the National Conference of Party Delegates and to contribute their wisdom and efforts to building a socialist society with distinctive Chinese characteristics.

NEW REGULATIONS FORMED ON BORROWING FROM ABROAD

HK081439 Beijing XINHUA Hong Kong Service in Chinese 0917 GMT 5 Oct 85

[Dispatch from Beijing by Zhong Shu: "China Formulates New Regulations on Borrowing Money from Abroad" -- External Affairs Department of XINHUA NEWS AGENCY asks the Hong Kong Service to relay this dispatch to MING PAO]

[Text] China has recently decided that its borrowing from abroad is to be managed entirely by the People's Bank of China. Banking sources here say that the Central Bank of China has issued a circular on this to all the provincial, autonomous regional and municipal people's governments and to various ministries, committees, and institutions directly under to the State Council.

China is taking the above-mentioned measure mainly in order to strengthen macroeconomic control over the administration of its financial sector in light of the development of the country's economy and in order to promote the smooth development of the economic structural reform.

Over the past year, as the policy of opening up to the outside world and the economic structural reform have been carried out, the decisionmaking power of the provinces, autonomous regions, and municipalities and enterprises over their external economic activities have continued to expand, and there are increasingly more methods to utilize foreign capital. In addition to drawing in direct foreign investment, funds have been borrowed from abroad by issuing bonds in foreign currencies. The amount of foreign exchange loans has also continued to increase.

In order to spend foreign exchange rationally, in order to improve the economic results of the borrowed funds and of investment, and in order to promote the smooth development of the economic structural reform, China has formulated the regulation that any issuance of bonds abroad or borrowing from abroad must be approved by the head office of the People's Bank of China.

In order to strengthen its centralized management over its borrowing from abroad, China has formulated the following main regulations on matters concerning loans that institutions inside China obtain from banks or enterprises abroad or in the Hong Kong or Macao areas:

1. Beginning today, all loans (including overdrafts) that institutions inside China obtain from banks or enterprises abroad or in the Hong Kong or Macao areas will be managed entirely by the People's Bank of China.
2. The units that are allowed to borrow from banks and enterprises abroad or in the Hong Kong and Macao areas will be the following only: the Bank of China, the China International Trust and Investment Corporation, the banking institutions that conduct the business of obtaining foreign exchange loans abroad with the approval of the State Administration of Exchange Control, and the companies and enterprises approved by the People's Bank of China. In obtaining loans and raising funds from abroad, a branch of the Bank of China must report to the head office for approval and all the loans must be taken into the state foreign exchange plans.
3. A company or enterprise should get the approval of the People's Bank of China through the responsible central department or the provincial, autonomous regional, or municipal people's government before it can obtain loans from abroad.

4. We should adhere to the principle of combining borrowing with earning foreign exchange. In the future, the obtaining of foreign loans must be linked with the earning of foreign exchange. The areas and enterprises that earn more foreign exchange are allowed to obtain more foreign exchange loans, and the government will control the borrowing of those who earn little foreign exchange or lack the capacity to earn foreign exchange.

The regulations also say that if a guarantee is necessary for a foreign loan, only the Bank of China, the China International Trust and Investment Corporation, and the banking institutions or enterprises approved by the State Administration of Exchange Control can be the guarantors. Guarantees for foreign loans should be handled in strict accordance with local regulations. No guarantee should be given for a loan not qualifying for the guarantee or for a loan that exceeds the ceiling of the guarantee.

FOREIGN INVESTMENT HELPS COASTAL CITIES IMPROVE

OW071304 Beijing XINHUA in English 1247 GMT 7 Oct 85

["Roundup: Investment Environment Improved in Chinese Coastal Cities" -- XINHUA headline]

[Text] Beijing, October 7 (XINHUA) -- Transportation, telecommunications, and hotel facilities have been greatly improved in China's 14 coastal cities since they were opened for overseas investment early last year, according to the Special Economic Zones Office under the State Council.

These cities range from Dalian in northeast China's province of Liaoning, to Beihai City in the Guangxi Autonomous Region in south China. Other open cities include Qinhuangdao, Tianjin, Yantai, Qingdao, Lianyungang, Nantong, Shanghai, Ningbo, Wenzhou, Fuzhou, Guangzhou and Zhanjiang.

Following Ningbo and Yantai, Qinhuangdao and Lianyungang early this year started air service to Beijing and other major cities. The Dalian airport will provide services for Boeing 747s after its expansion.

Foreign traders once complained that they could travel the length of Europe in the time it took to travel between Beijing and Yantai. Now it only takes about an hour by CAAC plane. From Shanghai to Nantong, it usually took about seven hours by boat; now it takes only two hours by hovercraft.

The Qingdao and Zhanjiang airports are being expanded, and Nantong plans to build a new airport to meet its transportation needs. Construction of airports is intensified in Beihai and Wenzhou as they are the only two of the 14 that do not presently have air facilities. The Beihai airport is expected to be in service before the end of this year with routes to Guangzhou, Zhanjiang, Nanning, and Guilin.

The harbors in these open cities have also been expanded since last year. They handled a total of 296 million tons of goods in 1984, a 10.4 percent increase over the previous year. Harbor construction, however, is still given a top priority in these cities. They plan to set up 31 new berths with a combined handling capacity of 30 million tons this year.

The coastal cities have allocated more funds and materials to the construction of telecommunications facilities over the past year. The Shanghai municipal government plans to allot more than 10 million yuan (RMB) each year for telecommunications. They hope to increase the number of urban telephones to 500,000 by 1990, up from 100,000 now. Guangzhou invested more than 54 million yuan for 13 telecommunications projects last year, over twice the amount invested during the past 34 years.

Over half of these cities have installed direct dial and telex facilities. A central office telephone exchange with a capacity of 10,000 lines was installed in Fuzhou early this year. Now it can provide direct dial service to major cities in more than 40 countries and regions.

A number of modern hotels and guesthouses have sprung up in these cities. Guangzhou now has more than 20,000 beds in over 10,000 hotel rooms. Dalian, Tianjin, Shanghai and some other major cities have each set up six or seven hotels since last year.

With the investment environment improving, more and more manufacturers, bankers and traders have come to these cities to do business. During the first half of this year, they signed more than 480 agreements with overseas investors worth 800 million U.S. dollars.

Beihai, a small city in south China that was rarely visited by foreigners, has now hosted businessmen from the Federal Republic of Germany, France, the United States and other countries. The city hopes to attract foreign investment for harbor construction, air services, ship building, oil refining, and other business.

Telecommunications Expanded

HK070245 Beijing ZHONGGUO XINWEN SHE in Chinese 0855 GMT 2 Oct 85

[Text] Beijing, 2 Oct (ZHONGGUO XINWEN SHE) -- China is speeding up construction of postal and telecommunications services in her 14 coastal cities opened to the world. By the end of this year in these coastal cities, there will be more than 0.53 million new telephone sets, more than 8,500 long-distance telephone circuits and 1033 telegram circuits. At that time, the communication conditions of the 14 coastal cities opened to the world will be greatly improved.

Over the past 2 years, China's Ministry of Posts and Telecommunications has invested 1.2 billion yuan in the fixed assets of the coastal areas. The special funds and bank loans allocated for the construction of the communications system, which have been approved by the state, amount to 0.11 billion yuan. Besides this, the local governments of the coastal areas have also raised funds of more than 0.1 billion yuan to strengthen the construction of the postal and telecommunications services.

According to the statistics for the first half of this year, the 14 coastal cities opened to the world installed more than 40,000 new telephone sets. For example, Shanghai installed 16,000 telephone sets and Guangzhou installed 2,000 telephone sets. The 14 coastal cities opened to the world installed 302 long-distance telephone circuits and 32 telegram circuits and also built 23 new post offices. The exchange system of the program control telephones of Fuzhou City has already gone into operation. Dalian, Qinhuangdao, Qingdao, Tianjin and some other cities are now speeding up the construction of city telephone equipment prospects and the long-distance telephone equipment of the improved program control data telephone exchange system. It is predicted that all the new telephone systems will go into operation by the end of next year. The telegram exchange system and the automatic long-distance telephones and semi-automatic long-distance telephones of the 4 special economic zones and 14 coastal cities opened to the world will also go into operation by the end of this year.

Major state construction projects such as the electric cable and the microwave link leading to the special economic zones and the coastal cities opened to the world, have been smoothly carried out. The construction of the 1,800 medium coaxial cable from Beijing to Wuhan and from Wuhan to Guangzhou, the Nanjing-Shanghai long-distance cable, the Shenyang-Dalian long-distance cable, and the Hangzhou-Fuzhou small coaxial cable with its related equipment have all been completed. The 300 cables between Fuzhou and Jinhua will go into operation within the year. The construction of the cable line from Jinan to Qingdao and from Xiamen to Shantou plus some other cable lines will also be completed by the end of next year. The microwave links between Shanghai and Nantong and Shenyang and Dalian have already gone into operation. It is predicted that the microwave links from Quanzhou to Zhanjiang to Haikou and Guangzhou to Shantou will also be in operation by the end of this year.

GUANGMING RIBAO ON INTELLECTUAL DEVELOPMENT

HK081545 Beijing GUANGMING RIBAO in Chinese 26 Sep 85 p 4

[Commentator's article: "Paying Serious Attention to Intellectual Development Is an Important Link in Implementing the Proposal for the Seventh 5-Year Plan"]

[Text] The "CPC Central Committee's proposal on formulating the Seventh 5-Year Plan for national economic and social development," approved at the National Conference of Party Delegates, has defined the fundamental guiding principle for our economic work in the period of the Seventh 5-Year Plan, affirmed the strategic goals for economic and social development, and spelled out appropriate general and specific policies. The proposal stresses the strategic role of scientific, technical, educational, and cultural undertakings in modernization.

As called for in the proposal, there will be relatively great development of our scientific, technical, educational, and cultural undertakings in the period of the Seventh 5-Year Plan. The proposal clearly points out: "Economic construction, social development, and scientific progress all depend on intellectual development and training skilled personnel among the Chinese people and on still greater development of the educational cause on the basis of economic development."

The development of scientific, technical, educational, and various cultural undertakings, fundamentally speaking, all involve the use and development of people's intellectual powers. To fully exploit and penetratingly develop the Chinese people's intellectual powers is an important guarantee for total industrial and agricultural output value and gross national product being doubled or more than doubled in 1990 as compared with 1980. It is also an important guarantee for creating a high degree of material civilization and socialist spiritual civilization.

To develop the economy and build a modern powerful socialist state calls for money, for various natural resources, and also for specific amount of labor. In sum, we must have money and material goods. This is beyond doubt. In the past, we always thought that just given adequate funds and bountiful natural resources, combined with a large amount of labor, we could create miracles. In modern times, such a view of the conditions necessary for economic and social development is not an all-round one. In modern language, this is just looking at the role of "hardware" and not at that of "software" and that of the power of knowledge. In fact, the wisdom of men is the only endless and inexhaustible resource in the world, and is a most valuable thing that no other treasure can compare with.

There is a limit to tangible material resources, funds, and various other natural resources and precious deposits, all of them being capable of being exhausted. Labor, physically speaking, also has its limits. But there is no limit to the wisdom of a state or nation, which can never be exhausted in producing material and spiritual wealth. A state may be short of natural resources and mineral deposits and not so well provided with funds and amounts of labor. But if it can use and tap human wisdom to the full, then that state or nation can create a large amount of material wealth and can thrive.

Conversely, given a great wealth of natural resources, and even particular unique natural resources, and also no lack of funds and labor, but given the poor development and even the waste of intellectual powers, that state's resources, as its superior features, cannot possibly be fully used and brought into play, or may just go to waste. Its available funds and labor also cannot be put to proper use. That state or nation can then find no place in the ranks of modern civilization, still less head for a more civilized future.

Every achievement scored by us in various fields of material production and spiritual production in our socialist construction is a result of our party's attention to using and tapping wisdom. Every objective of struggle for economic and social development, as called for in the Seventh 5-Year Plan, is inseparable from the tapping of wisdom. To establish, in the period of the Seventh 5-Year Plan, a new socialist economic system with Chinese characteristics in its initial form calls for a large number of knowledgeable, democratic-minded, and selfless skilled personnel who are good at combining Marxism-Leninism with the practice of socialist modernization in China and who have the courage to introduce reforms and create the new.

Only in this way can we accelerate the pace of reform and achieve the goal of reform. With a new economic system established, we still need to have a large number of trained personnel in various fields suited to the new economic system. Only in this way can the new economic system work smoothly and can its role be brought into full play. Now, quite a large number of our enterprises and institutions are well equipped. Some of them have equipment no worse than their counterparts in foreign countries, or even better. But their labor productivity is relatively low and their economic results are not at high levels.

An important cause of economic results that are less than great is a low level of management and scientific and cultural training of cadres and workers incompatible with the demands of modern management and production practices. To continuously improve economic results, the most important thing is to raise our level of operating and management performance and to raise the scientific and cultural standards of the masses of cadres and workers. In the final analysis, we must pay attention to intellectual development. Various tasks designed to stimulate scientific and technological progress can, still less, be realized from the full use and tapping of wisdom. In sum, the overall realization of the Seventh 5-Year Plan depends on the tapping the Chinese people's wisdom.

Human wisdom plays a tremendous role in economic and social development and in the realization of socialist modernization. For this reason, since the downfall of the "gang of four," and especially since the 3d Plenary Session of the 11th CPC Central Committee, our party has once and again stressed the extremely great importance of tapping wisdom and the strategic role that investment in intellectual development plays in building the "two civilizations." In a talk with several central leadership comrades on 2 March 1983, Comrade Deng Xiaoping pointed out: "Intellectual development is very important." Several months later, Comrade Xiaoping also called for "drawing on the wisdom of foreign countries."

After the approval of the "decision on restructuring the economic system" at the 3d Plenary Session of the 12th CPC Central Committee, Comrade Xiaoping pointed out that what is most important in the "decision" is Article 9. It calls for "showing respect for knowledge and for talent." "The key to success lies in whether we can discover and use talent." Intellectual development is treated as the key to the achievement of anticipated results in reform, the key to the realization of the strategic goals called for in the Seventh 5-Year Plan, and the key to success in socialist modernization. This is a strategic guiding idea in our party's directing of the reform and in the cause of modernization.

Intellectual development is the business of the whole party and the people of all nationalities throughout the country. Cherishing and using human wisdom is the responsibility of party and government leadership organs and leading personnel at various levels and also the responsibility of every citizen. We must continue to firmly carry out the policy toward intellectuals and realistically help intellectuals solve some of their actual problems, so that their wisdom and knowledge can be brought into full play. The basis of intellectual development is education. Without the development of educational undertakings of various kinds, and especially without the popularization and improvement of fundamental education, the tapping of the wisdom of the whole nation is out of the question. To pay attention to education and to try by every means to invest in education also means actually paying attention to intellectual development and adding to investment in intellectual development.

To better draw on and tap the Chinese people's wisdom, we must, in line with the general and specific policies decided upon by the CPC Central Committee, continue the reform of the scientific and technological system and the educational system. We must also reform the system of management of various cultural undertakings in a prudent and systematic manner. After reform, our intellectual resources will produce a chain reaction in modernization and a tremendous effect.

GUANGMING RIBAO ON INCREASING ENTERPRISES' POWER

HK090509 Beijing GUANGMING RIBAO in Chinese 14 Sep 85 p 3

[Article by He Wei and Han Zhiguo: "Give the Power To Expand Reproduction to Enterprises"]

[Text] In the socialist economy, who should hold the power to determine the expansion of reproduction? This is an important question about which economic circles in our country have debated for a long time. Over a long period in the past, because of the dominant influence of the theory about a product economy, the power for social reproduction was completely held by the state, and enterprises had no power to even decide simple reproduction, still less to decide expanded reproduction. Now, in our country, it has been clearly affirmed that the socialist economy is a planned commodity economy based on public ownership. Under this premise, how to define the limits of authority of the state and the enterprise in economic management and whether to delegate to the enterprises the power to handle expanded reproduction have become important theoretical as well as practical questions that we should restudy.

In our opinion, under the conditions of a commodity economy, the power for expanded reproduction should be handed to enterprises. This is determined by the internal mechanisms of the socialist commodity economy.

First, we can see this from the characteristics and requirements of the commodity economy. One of the important characteristics of the commodity economy is that the purpose and motivation of a producer is to create and seek value rather than use value.

As the law of value determines, commodity producers are bound to be involved in intense competition with each other so as to guarantee their own interests. When some goods are in short supply and when the production of these goods is profitable to the producers, enterprises are bound to use their funds and materials to produce these goods and try to expand the production of these goods as quickly as possible. Conversely, when some goods are oversupplied and the production of these goods is no longer profitable to the producers, enterprises will certainly try to reduce the scale of production and shift their funds and materials to other production sectors that are more profitable. The objective requirements of the law of value can be satisfied precisely through such business competition, and a major precondition for the full-scale unfolding of such competition is to allow funds to move freely from one production sector to another. If an enterprise has no power to decide things in expanded reproduction, if it cannot independently decide how to use its funds and materials and whether to review or transform equipment, then it will not be able to act effectively and efficiently in competition. Of course there has to be competition in a commodity economy. Therefore, it is an objective requirement of the commodity economy to extend the power for handling expanded reproduction. Without this power, it would not be possible for enterprises to practice real commodity economy.

Second, this question may also be viewed from the enterprises' position as commodity producers. An important difference between commodity economic relations and product economic relations lies in the fact that in a commodity economy, the responsibilities of a producer are integrated with his powers and rights. A commodity producer should not only shoulder certain responsibility to the state and to society, but should also have corresponding powers and rights. If an enterprise has power that does not match its responsibility, the power may be abused. For example, the phenomena of enterprises issuing lavish bonuses in cash and in kind were in fact a result of the lack of a responsibility system when more powers were extended to enterprises. Conversely, if an enterprise does not have appropriate powers and rights when it shoulders certain responsibilities, it may not be able to really perform these responsibilities.

For example, it is still hard to establish an independent accounting system in enterprises whereby they are responsible for their own profits and losses, precisely because the enterprises do not have the power to conduct real independent accounting and to hold themselves responsible for their profits and losses. If enterprises have no decisionmaking power in their production and business handling and cannot independently determine the scale and lineup of their production, it will be very hard for them to really hold themselves responsible for their profits and losses. Therefore, if enterprises have no power to handle expanded reproduction, it will be hard for them to act as relatively independent commodity producers.

Third, we may also view this question from the functions of the state. An important economic function of a socialist state is to guide and organize economic construction. However, this does not mean that the state must directly decide the investments in building or expanding enterprises. On the one hand, socialist public ownership can be effected in various forms, and the state's direct investment in building and expanding enterprises so as to conduct expanded reproduction in an extensive or intensive way is not the sole characteristic of the socialist economy. On the other hand, because of the increasing specialization and socialization of production, activities of socialist expanded reproduction have become rather complicated. In particular, there are hundreds of thousands of industrial and transportation enterprises in our country. If everything in expanded reproduction must be subject to centralized arrangements made by the state, it will be hard for the state's economic management organs to concentrate on policy making. Moreover, the state management will become too extensive and will be entangled with trifling things. As a result, the state's economic policy will become less scientific, and the state will inevitably restrain enterprises from handling production and business in a dynamic way and will thus obstruct the development of production.

A basic precondition for really extending powers for expanding reproduction is to have an open market. In order to establish an economic management system that is suited to the socialist planned commodity economy, enterprises should be given the powers that a commodity producer should have. A fundamental step is to change overall degree of power centralization under the old system by opening commodity markets, money markets, and labor markets in an all-round way so as to change the administrative transfer of human, financial, and material resources into market circulation and to make markets a pivot of social economic activities. There should be room for enterprises to make free choice on the markets, and they should have the right and opportunity to fully absorb labor, funds, and materials on their own so as to create all necessary favorable conditions for the expanding reproduction of the enterprises. Without an open market, the human, financial, and material resources needed in expanded reproduction would still be transferred and distributed through administrative channels, and enterprises would not be able to flexibly handle production and business in light of market needs. Even if they are authorized to handle expanded reproduction, the power would just be nominal rather than actual.

Will the scale of investment grow excessively and cause the overall economy of the country to go out of control after the power for handling expanded reproduction is extended to enterprises? Our answer to this question is no. After delegating the power for handling expanded reproduction to enterprises? Our answer to this question is no. After delegating the power for handling expanded reproduction to enterprises, the state will change its relations with the enterprises, but these changes do not mean that the state will give up its management of economic activities. On the one hand, the state can continue to guide enterprise investments through laying down guidance plans and forecasting the possible changes in supply and demand. As long as the plans are in line with the actual course of economic development and are drawn up on a scientific basis, they will certainly be authoritative in guiding enterprises investments. On the other hand, the state can also use various economic levers, especially the taxation lever, to direct and regulate enterprise investments. In order to encourage the production of goods that are in short supply, the state can lower the tax rates for, or even exempt from taxes the production of such goods; and to check the overproduction of some goods, the state may raise taxes for the production of such goods. The offering of bank loans and the readjustment of interest rates can also achieve the same purpose in regulating investment. After enterprises really bear responsibility for their own profits and losses, they will have to plan very prudently and consider the situation and changing market trends very carefully before they decide to expand production, because only thus can they gain economic benefits and continue to exist and develop in the course of competition. Therefore, as long as state plans are drawn up on a scientific basis and the state is able to adeptly employ various economic levers, it is completely possible to keep the general scale of investment in society and the movement of funds under perfect control.

JINGJI RIBAO ON ENLIVENING ORDNANCE INDUSTRY

HK070437 Beijing JINGJI RIBAO in Chinese 27 Sep 85 p 2

[Article by Zou Jianhua, Minister of Ordnance Industry: "Be Bold in Forging Ahead, Invigorate Ordnance Enterprises"]

[Text] The continuous development of the arms industry must be based on revitalized enterprises. Given the lack of economic vitality on the part of enterprises, especially the large and medium-sized ones, the development or upgrading of the whole arms industry is just out of the question.

Therefore, we must concentrate forces on the proper handling of three matters:

1. We must further simplify administration and delegate power, creating external conditions for revitalizing enterprises. The power that an enterprise is entitled to as a relatively independent commodity producer or operator operating on its own, should be delegated to it to the fullest extent by the department in charge according to the principle of macroeconomic control and microeconomic revitalization. The delegated power should enable an enterprise to reap actual benefits.
2. We must strengthen macroeconomic guidance and help enterprises in properly using power. The decisive factor in revitalizing enterprises calls for the proper use of state-vested power on the part of enterprises themselves. We must help enterprises take care of four links within themselves. First, they must foster a concept of the market, take the initiative to seek development, operate flexibly, and boost production. Second, they must take proper care of reforms in various fields to form parts of the whole -- reforms centering on the factory manager responsibility system and the leadership system. Third, large and medium-sized enterprises must set up small accounting units and do a good job of accounting, involving workshops and branches. Fourth, the economic responsibility system centering on involvement in contracts must be perfected.
3. We must sum up and introduce the experience of cooperation between ordnance departments and given areas in a joint effort to revitalize enterprises. Since the introduction of the guideline calling for Army-civilian combination, the arms industry has established good relations of cooperation with Chongqing City. Given no change in systems, no change in the relations of being subordinate, no change in channels for financial operations, and no change in ownership, extensive relations between ordnance enterprises and civil enterprises have been continuously consolidated and expanded, so that both sides have reaped relatively satisfactory economic results. This has left ordnance departments and cities, ordnance enterprises, and local enterprises satisfied. This experience has won praise and support from Premier Zhao Ziyang. The State Restructuring of the Economic System Commission and other relevant departments have also attached unusually great importance to this experience.

In the business of simplifying administration and delegating power, and in the everyday operations of large and medium-sized enterprises, we must also pay attention to the following several problems:

We must concentrate forces on firmly carrying out the guidelines of guaranteeing military supplies and switching over to civilian needs. To guarantee military supplies calls for fulfilling contracts for military goods to quality, quantity and time specifications and for strengthening scientific research and experiments connected with military goods, completing the study and manufacture of new equipment, and striving to further improve the quality and the level of military goods.

To switch over to civilian needs calls for the fostering of such a guiding idea throughout the ordnance industry from top to bottom: First, whether committed to military goods assignments or not, all enterprises must, without exception, handle civilian goods and can no longer base work solely on defense production. Second, with civilian goods taken up, so long as the whole country is not switched over to a wartime economic system, no enterprise can put them aside and, still less, freely get rid of them. Instead, it must take advantage of such a time as when the execution of orders for military goods has exceeded expectations to increase the production of civilian goods in a more lively manner. Third, in committing ourselves to civilian goods, we must cut across Army-civilian, trade, regional and ownership boundaries and especially the boundaries between various lines within an ordnance department. We must strengthen the establishment of extensive relations and follow the path of integrating with a given area. We can in no way get involved with overlapping construction projects by forming a separate system.

In developing civilian goods, we must uphold the guideline of "making arrangements with priority, seeking universal mobilization, being internally oriented, making the most of superior features, focusing on one industry, and developing a diversified economy." This is to strive for the ultimate establishment of a new Army-civilian combination system. We should be explicit about the need to foster such an idea: A really reliable pillar of the economy is civilian goods. Efforts must be mostly devoted to developing civilian goods. This is what the center expects of us and also a demand of objective realities. To make arrangements with priority means for ordnance departments to make priority arrangements for products bearing on national plans and the people's livelihood, instead of imposing unified controls on all civilian goods of all enterprises.

To seek universal mobilization means for all enterprises to fully arouse the masses in making universal market investigations, orienting themselves toward the market and taking the initiative to seek development. To be internally oriented means for all enterprises to give full play to subjective initiative, pay attention to tapping the potential without waiting or resorting to reliance, and rely upon themselves in "rolling snowballs," taking charge of operations, and bringing about self-generated expansion. To make the most of superior features means to exploit to the full all conditions favorable to ourselves and do whatever we are capable of. To focus on one industry means that an enterprise must have one or two civilian products as pillars and achieve the aim of living off civilian products. To develop a diversified economy an enterprise must make the fullest use of reserve energy in serving given areas and the community.

In choosing the kind of civilian goods, we must first give priority to products in the area of priority state economic development, such as energy-related machines and tools, communications and transportation facilities, and optical, machine, electric, and chemical products in telecommunications, raw materials and other fields. Second, we must serve the revitalization of the local economy, turning out locally suitable and marketable products or help a given area with technical transformation. We must also serve the improvement of the people's lives and the promotion of exports.

In guaranteeing military supplies or switching over to civilian needs, we must make things very clear about two points ideologically. One is the matter of quality. We must insist on putting quality first, orienting ourselves internally, and subjecting ourselves to strict discipline. Guaranteed or improved product quality is an enterprise's vitality. Given poor quality, the loss of credibility with consumers and a tarnished reputation, a factory, though not reduced to the stage of stopping production, exists only in name and can, still less, be expected to produce economic results. Therefore, we must perfect quality control organs and keep perfecting the means of inspection and examination, and improving the quality of inspectors. Quality inspection work must be under the direct control of factory managers.

Another point is that technological transformation must focus on raised standards. We must apply ceaselessly developing new technologies and modern management methods to the carrying out of reforms and we cannot seek an expanded production capacity by confining ourselves to low levels. On the one hand, we must have the determination to use new technology, new techniques and new equipment wherever possible to put production, technological processes and inspection techniques on a scientific and modern basis. On the other hand, we must pay attention to technological transformation in a systematic manner. We must involve not only the front, but also the rear, in reform, so that an enterprise's production capacity can be brought into full play.

For a certain period of time ahead, there will be a relatively big increase in the production of civilian goods. There will also be a continuous increase or improvement in variety, quantity and quality.

Therefore, we must actively expand the market for civilian products, so that more of them can have a foothold in the domestic market and enter the international market. Only by so doing can the path followed become wider and wider.

So long as we uphold correct guidelines, show the spirit of acting with initiative and courage in forging ahead, and are keen on reform, we can surely establish a new Army-civilian combination system after a period of hard work.

YANG DEZHI ATTENDS RALLY TO HONOR INFANTRY COMPANY

SK090135 Shijiazhuang HEBEI RIBAO in Chinese 21 Sep 85 p 1

[Text] On 20 September, the General Staff Headquarters of the PLA held a ceremonious rally in Beijing to confer the honorable title of "Exemplary People-Living Company" on the armored infantry company of the instructor regiment under the armored force academy.

At 1430 on 20 September, the rally opened amid the majestic sound of the "Liberation Army March." Attending the rally were more than 1,500 commanders and fighters from the departments under the General Staff Headquarters of the PLA and from organizations stationed in Beijing.

Seated on the rostrum were Yang Dezhi, member of the Political Bureau of the CPC Central Committee and chief of general staff of the PLA General Staff Headquarters; Xu Huizi, Xu Xin, and He Qizong, deputy chiefs of general staff; responsible comrades of the Political Department, the Armored Force Department, and the Armored Force Academy under the General Staff Headquarters; and representatives of the instructor regiment and the armored infantry company under the Armored Force Academy.

Also seated on the rostrum upon invitation were Zhang Shuguang, deputy secretary of the provincial CPC Committee and vice governor of the province; Gao Zhanxiang, deputy secretary of the provincial CPC Committee; Jia Ran, secretary of the Shijiazhuang City CPC Committee; Li Guohua, deputy secretary of the Shijiazhuang Prefectural CPC Committee; Cheng Baohuai, commissioner of the Shijiazhuang Administrative Office; Zhang Rong, secretary of the Xingtang County CPC Committee; and representatives of Liushugou village.

At the rally, Zhao Cong, director of the Political Department under the PLA General Staff Headquarters, read out the order of Chief of General Staff Yang Dezhi on conferring the honorable title of "Exemplary People-Loving Company" on the armored infantry company of the instructor regiment under the Armored Force Academy. Wang Jishen, political commissar of the instructor regiment under the Armored Force Academy, introduced the exemplary deeds of the armored infantry company.

Amid the music the chief of general staff presented the flag of "Exemplary People-Loving Company," the certificate of merit, and a trophy to this armored infantry company. A leading comrade of the Political Department under the General Staff Headquarters presented a silk banner written with words "The Army and civilians are united to help each other, and the new civilization flowers are in full bloom" to the Xingtang County People's Government, and presented souvenirs to the parents of martyrs Wang Bingkui and Zhang Hongyou and to Liushugou village.

Yang Dezhi spoke at the rally. He said: This has been the first time since the PRC's founding for the General Staff Headquarters to confer an honorable title on a company at the grass-roots level.

The reason why the CPC Committee of the General Staff Headquarters has conferred such a high honorable title on this armored infantry company is that cadres and fighters of this company have kept firmly in mind the Army's objective of wholeheartedly serving the people, and have stepped forward bravely, spared no efforts in rescuing the people, and even not hesitated in sacrificing their young lives in the critical moment when the people meet with dangers. With their own fearless and selfishless behaviors and their model actions of sacrificing their own interests for the sake of others, they have carried forward our Army's revolutionary spirit of ardently loving the people, protecting the fine tradition of the masses, and fearing neither hardship nor death.

LI XIANNIAN, DENG YINGCHAO RECEIVE PLA HEROES

OW071315 Beijing XINHUA Domestic Service in Chinese 1449 GMT 9 Oct 85

[By reporter Liu Nanchang]

[Text] Beijing, 6 Oct (XINHUA) -- Li Xiannian, Deng Yingchao, and other party and state leaders met today with all the members of a PLA heroes and models reporting group at the Great Hall of the People. The leaders praised the members as vanguards in defending the country and pioneers in building a spiritual civilization, and they called for a nationwide drive to learn from the heroes and models in order to raise people's mental outlook to a new level. Other party and state leaders at the meeting were Xi Zhongxun, Tian Jiyun, Yang Shangkun, Hu Qiaomu, Hu Qili, Yao Yilin, Qin Jiwei, Chen Pixian, Deng Liqun, and Bo Yibo.

A warm and cordial atmosphere prevailed in the meeting hall. After a photo session, the heroes and models of the younger generation and the revolutionaries of the older gathered for cordial talks. Li Xiannian warmly shook hands repeatedly saying: "Thank you. Thank you. I thank you on behalf of the people." With deep concern, Li Xiannian asked about the condition of the wound of Yuan Ming, deputy company leader of a certain unit who had just come from the Laoshan frontline. Yuan Ming, wearing sunglasses, had suffered eye injuries in combat. Firmly holding his hands, Li Xiannian told him to take good care of his injury.

Deng Yingchao asked each soldier near her about his age. Holding the hands of Zhong Huiling, model battlefield health worker, she said: "I recognize you. I saw you on television. You are really something, fighting with male soldiers at the front. Give them my regards when you return."

After receiving a briefing from Zhang Rongxian, company leader of a certain unit in a Laoshan forward position, on his company's recent battle to repulse a Vietnamese intrusion, Hu Qili said cheerfully: "Well done! You have demonstrated our military might and national strength."

Upon hearing that five of the members were from a regimental unit he had commanded in the old days, Bo Yibo was very pleased, praising them for winning honor for the unit and saying that he was proud that the unit had such a new generation of heroes. He made a special point of having his picture taken with the five comrades.

The PLA reporting group was organized at the suggestion of Hu Yaobang, Li Xiannian, and other central leading comrades. At the meeting, the central leading comrades expressed their hopes that the members would do as good a job in reporting their deeds as they had done in the battlefield and that they would carry out this glorious task.

Comrade Hu Qili said: The activities of learning from the deeds of heroes in the front-line and advanced figures on various work fronts are important to implementing the guidelines of the National Conference of Party Delegates, strengthening political-ideological work, and carrying out education in idealism, discipline, party spirit, and party style. Using their personal experiences to stress the need for idealism, discipline, and sacrifice, the heroes and models are able to foster their lofty thoughts and revolutionary spirit and transform them into the spiritual wealth of the 1 billion people.

Zhu Houze, director of the Propaganda Department of the CPC Central Committee, and Zhou Keyu, deputy director of the PLA General Political Department, were present at the meeting.

Zhu Houze Addresses Meeting

OW090452 Beijing XINHUA Domestic Service in Chinese 1557 GMT 8 Oct 85

[Text] Beijing, 8 Oct (XINHUA) -- Speaking at a PLA heroes' report meeting today, Zhu Houze, head of the Propaganda Department of the CPC Central Committee, said that elaboration on the spirit of dedication by those who are devoting themselves indomitably to the motherland and the people is most vivid and convincing.

Zhu Houze said: At the National Conference of Party Delegates, central leading comrades repeatedly emphasized that we should go all out to strengthen the building of the socialist spiritual civilization and ideological and political work so as to effect a fundamental turn for the better in our party style and in the standards of social conduct while unswervingly proceeding with the economic structural reform and the reforms in other fields and making further efforts to develop our national economy in a sustained, steady, and harmonious way. This, they said, is a major task for the whole party and an urgent job for the ideological front at present. Now the PLA model heroes' reporting group will go to various parts of the country to make reports to the cadres at all levels, the broad masses, and the commanders and fighters of various PLA units.

This will be a practical step in implementing the guidelines of the National Conference of Party Delegates and strengthening the building of the socialist spiritual civilization. It is also a concrete measure to deepen the education in high ideals and morality, general education, and education in discipline and to improve our party style and the standards of social conduct. Facts have proven that it is most vivid, realistic, convincing, and influential for those who have high ideals to talk about ideals, for those who abide by discipline to talk about discipline, and for those who are indomitably devoting themselves to the motherland and the people to talk about the spirit of dedication. We believe that the reporting tour of the PLA model hero representatives will certainly have the effect of impressing people deeply with the PLA model heroes' touching deeds and lofty thinking and making such deeds and thinking a common spiritual asset of the hundreds of millions of people.

Zhu Houze stressed the need to emulate the model heroes, uphold lofty ideals and strict discipline, carry forward the bold spirit of dedication, preserve the style of plain living and hard struggle, and always think of the party, the motherland, and the great socialist cause. He said: Common ideals and iron discipline are two true strong points of our party and Army. In this regard, the heroes on the front have set the best example for us. We must follow their example to link our work with lofty ideals and take the initiative to subordinate the interests of the part to the interests of the whole, individual interests to the collective interests, and immediate interests to long-term interests. We must do the best work at our respective posts and make contributions and win merits in persistently carrying out the reforms in all fields and in pushing forward the socialist program of the four modernizations.

Zhu Houze pointed out: We must use the heroes' lofty spirit of "letting myself suffer for the benefit of the 1 billion people" to stir up our fighting will, guide our action, and resist the influence of various erroneous ideas. The long hard efforts of people of several generations are required to bring China to the same economic level as developed countries in the world and to make the 1 billion people all well-to-do. Our cadres and party members must take the lead to act as models for plain living and hard struggle, and our people, including the youth, must inherit and carry forward the style of plain living and hard struggle.

Zhu Houze said: Always keeping the party, the motherland, and the great socialist cause in the heart gives the heroic fighters on the front the strength to indomitably press forward and bravely kill the enemy. We should emulate their example to put the interests of the motherland and people above all else, take action to increase the splendor of the lofty image of our party and socialism, and be people with communist ideals.

PLA URGES STUDY OF NATIONAL CONFERENCE DOCUMENTS

OW080201 Beijing XINHUA Domestic Service in Chinese 1235 GMT 7 Oct 85

[Text] Beijing, 7 Oct (XINHUA) -- The PLA General Political Department calls on party committees and political organs at various levels in the Army to study the documents of the National Conference of Party Delegates while transmitting and implementing the guidelines of the forum of the Military Commission, and discover and solve pertinent problems in light of the reality in each unit, in order to further carry out the Army's structural reform and reduction-in-strength reorganization, and step up Army building in all fields.

The General Political Department has put forward the following four opinions in connection with the CPC Central Committee's recent circular on studying and publicizing the documents of the National Conference of Party Delegates: 1) It is necessary to thoroughly comprehend the documents, and be familiar with the achievements on all fronts, in order to fully recognize that the nearly 7 years since the 3d Plenary Session of the 11th CPC Central Committee is one of the best and most crucial periods since the founding of the country, that the current excellent situation has not come easily, and that we must firmly believe in the correctness of the party's line, principles, and policies; 2) it is necessary to obtain a clear understanding of the great significance and far-reaching influence of the partial readjustment of members of the central leading organs; 3) it is necessary to penetratingly understand the important meaning of the central leading comrades' call for attaching importance to building spiritual civilization and intensifying ideological and political work; and 4) it is necessary to further rectify party style.

The General Political Department points out: The party and the government have already adopted, or are adopting, measures to solve problems arising in the course of reform. It is necessary to realistically explain and discuss these problems with cadres and fighters, and convince them of the measures in order to unify their thinking and further strengthen their confidence in reform. Leading cadres must first study, on their own, the proposal on formulating the Seventh 5-Year Plan, and then explain it, in simple and brief language, to their own units.

The General Political Department's "opinions" stress: It is necessary to emulate the veteran comrades' noble style of voluntarily resigning from the central leading organs, taking the lead in reforming the cadre system, and foster a good atmosphere of showing concern for, and respecting, veteran comrades. Members of leading bodies at all levels, especially those newly admitted to the leading bodies at and above corps level, should be aware that the most important thing in the succession of the old by the new is to inherit the veteran comrades' heroic spirit in persevering in the revolutionary direction.

The following instruction by Comrade Deng Xiaoping should be regarded as the basic requirement for building leading bodies at all levels. "It is necessary to serve the people wholeheartedly, go among the masses, and listen to their opinions; dare to speak the truth and oppose falsehood, refrain from seeking undeserved fame, and perform more actual deeds; make a clear distinction between public and private interests, refrain from seeking personal favor at the expense of principles; and appoint people on their merits, rather than by favoritism."

The General Political Department's "opinions" point out: It is necessary to earnestly study and solve shortcomings and problems in the ideological and political work of the Army, in accordance. The most important thing in conducting ideological and political work in the Army is to pay close attention to education on the four fundamental principles, and in ideals, morality, general knowledge, and discipline, in order to enhance patriotism, communist conviction, and sense of organizational discipline among the cadres and fighters, and further help them carry forward the heroic spirit of sacrificing oneself for the sake of building the four modernizations, safeguarding the motherland, and conscientiously resisting the corrosive influence of capitalism, decadent feudal ideas, and bourgeois liberalization. During the structural reform and reduction-in-strength reorganization, it is necessary to continue to pay keen attention to education on subordinating oneself to the overall situation, strictly observing discipline, safeguarding unity and opposing and overcoming individualist ideas. Political organs at various levels must go all out to improve work style, go deep into reality, and show concern for the masses in order to discover and solve problems.

The General Political Department's "opinions" stress: The central leading comrades have tabled a set of requirements for correcting party style. All party members of the Army, party member-cadres in particular, must, without exception, resolutely implement and set a good example in observing the requirements. Both new members of the leading bodies and veteran comrades, including retired comrades, should be strict with themselves, match words with deeds, and display the glorious tradition of working hard. It is necessary to discipline one's children and never allow them to become privileged. Party organizations at various levels, party committees at and above corps level in particular, must earnestly examine problems existing in party style, dare to expose contradictions and never cover up truth. Leading cadres should take the initiative in conducting criticism and self-criticism. Serious problems must be duly handled and never tolerated. Party regulations and prestige should never be forsaken to accommodate a few individuals.

PROPAGANDA ORGAN PRAISES FRONTIER GUARDS' LETTER

OW060218 Beijing XINHUA Domestic Service in Chinese 1137 GMT 4 Oct 85

[Excerpts] Beijing, 4 Oct (XINHUA) -- Letter from fighters on the Laoshan Front to youth of the Publishing Company of the China Federation of Literary and Art Circles.

Note by the Propaganda Department of the CPC Central Committee. The party and CYL branches of the Publishing Company of the China Federation of Literary and Art Circles organized its staff and workers to study and discuss the heroic stories related by a reporting group for Laoshan heroic deeds from the Yunnan frontline. In addition, a letter extending regards in the name of the CYL branch was sent to the Laoshan fighters along with some 2,000 books and publications, which were presented as gifts. Shortly afterward, they received from the frontier fighters a long letter filled with lofty sentiments toward the motherland. Also received were 50 copies of a book titled "Poems Engraved on Scorched Earth."

The letter and books were distributed for the staff and workers to read so that they would feel "the bitterness of gunsmoke, the red light of gunfire, and the desire to pursue and think and the breadth of vision characteristic of armymen in war time" as described in the poems. This activity has had repercussions among the young people of various associations under the China Federation of Literary and Art Circles. They hold that this is a good practical way to effectively raise the young people's ideological level and enhance their understanding and that it will play a positive role in leading the youths to advance, cherish the idea of serving the people, and uphold the correct outlook on life and the lofty revolutionary ideal. This experience is worthy of attention, for it has enlightened us.

However, this does not mean that everyone should try to form a direct link with the comrades on the Laoshan front, which will increase the burden there. We mean that we should advocate the spirit and method of learning from each other. We should not only learn from the frontier fighters and serve them, but we should also learn from those localities, units, and individuals that have made striking contributions to the program of the four modernizations by working under hard conditions. We should allow our high respects and warm feelings toward these localities, units, and individuals to permeate our work of serving the people. This style of emulating, serving, and encouraging each other should be taken as an impetus to our continuous advance. (end of note).

All young friends of the Publishing Company of the China Federation of Literary and Art Circles: How are you? When we received the books you kindly sent us, we were either working busily at the command posts or in simple but clean hospital wards or in dark and wet camouflage works or caves. We passed the books on and read them between battles or when we were recuperating in the hospital. We received enlightenment, education, encouragement, and stimulation from these books, and we cannot help being moved by the meticulous solicitude from the people of the motherland. Not only have you sent us books, but also the understanding and concern of the youth in the rear area about a group of people of their same age fighting bloody battles for the motherland.

On the bloody and burning battlefield, our fighters fight valiently without the slightest fear of the enemy. When they are confronted with the god of death, they accept their fate with a smile.

In the course of combat, some of our fighters have quietly fallen from stray bullets; others have been disabled for life. Who can deny that some might otherwise have become statemen, writers, scientists, marshals, or generals in the future? But they have left us as the long road of life is still before them. Their sudden departure has inspired a short poem: "Sacrifice is not to be minded if it is made for a truly worthy doctrine. Though I, a single person, lose my life, a billion people benefit."

Our fighters ask nothing for themselves from the motherland and the people. Their only aspiration is that when they return in triumph, they will find a more beautiful and affluent homeland. It is hoped that young people in the rear area will treasure their peaceful environment created by the martyrs at the expense of blood and lives and will study assiduously, work hard, and devote their youth to the rejuvenation of China.

PLA PAPER LAUDS GOOD DEEDS IN REORGANIZATION

OW062230 Beijing Domestic Service in Mandarin 2230 GMT 5 Oct 85

[Text] JIEFANGJUN BAO on 6 October published a newsletter prominently on the front page.

The newsletter introduces the good deeds of the cadres and fighters of the Zhu De Guards Regiment under the Jinan Military Region who put the general interest first in the course of the strength-reduction reorganization. The Zhu De Guards Regiment, a unit with a glorious history, will be deactivated soon. Many cadres and fighters at first did not know why the regiment should be deactivated.

Under the circumstances, the regiment's party committee called on the whole regiment to put the general interest above personal interest, and guided the cadres and fighters to subordinate themselves conscientiously to the general interest of the strength-reduction reorganization when they are affected by the deactivation. JIEFANGJUN BAO published an editor's note that points out: The practice of the Zhu De Guards Regiment in putting the general interest above personal interest is quite worthy to be emulated.

JIEFANGJUN BAO URGES BOOST FOR PLA POPULAR IMAGE

OW051307 Beijing Domestic Service in Mandarin 2230 GMT 3 Oct 85

[Text] JIEFANGJUN BAO on 4 October publishes a reporter's commentary titled "Constantly Strive To Become Stronger Through Self-Respect." Beginning with a report on a PLA unit winning the love and esteem of the people during its antiflood mission, the commentary systematically reviewed the relations between the Army and the government and between the Army and the people since the founding of the PRC, which have fluctuated like the shape of a saddle. The commentary points out: The PLA, through self-analysis and historical introspection, has plunged into the great current of reform with a new style. This has drastically improved the image of servicemen among the people.

JIEFANGJUN BAO REPORTS PLA MEDICAL RESEARCH

OW051311 Beijing Domestic Service in Mandarin 2230 GMT 3 Oct 85

[Text] PLA public health and medical departments made 8,307 scientific and technological achievements during the Sixth 5-Year Plan period, according to JIEFANGJUN BAO. These achievements, 81 of which are at international level and more than 300 are at the advanced domestic level, have contributed greatly to the development of China's medical science.

SHANDONG COMMENTARY ON HEROES OF REFORM

SK071420 Jinan DAZHONG RIBAO in Chinese 23 Sep 85 p 2

[Commentator's article: "Persons Who Persistently Carry Out Reform Are Heroes of Today"]

[Excerpt] The times produce their heroes. In the long, flowing river of Chinese history, each period of time produced its heroes. On our present journey to the grand objective of the four modernizations, persons who persistently carry out reform are the heroes of the time. Our country has scored tremendous achievements in its rural reform after 3 years of practice and experience. Since the 3d Plenary Session of the 12th CPC Central Committee, reform of the entire economic structure, focusing on the urban economy, has unfolded gradually. Reform is breaking with the long-standing rigid structure of the economy to bring vitality to the entire society. At the same time, it also creates a great number of advanced persons who dare to explore bravely and create the new persistently. Ma Shengli of the Shijiazhuang paper mill is one of these outstanding representatives. Such advanced persons exist on all fronts. Facing up to the old systems, habits, and concepts, they are brave in setting foot in new areas and diligent in making trial runs and attempts for the purpose of ensuring the prosperity of the state and the development of enterprises. When their reforms encounter difficulties, they endure pressure from numerous sources and pursue their goals resolutely. When their reforms encounter obstacles, or even when they are wronged, they still persist in practice and work hard. Their performance is excellent and therefore deserves praise. It is precisely such spirit and practice of enthusiasm for reform and eagerness to progress through pioneering efforts that makes the wheel of reform roll on. Without such a group of courageous and insightful persons opening the paths at the forefront, there would be no economic and political new situation such as exists at present. These persons represent the mainstream and the direction of reform. They should be respected and supported by the people. We should sing their praise enthusiastically.

However, reality also reminds us that some people are in low spirits when they talk about reform and delight in talking about its drawbacks. They particularly love to vividly describe, with animated gestures, the weak points and flaws of those who persistently carry out reform. Such a mental attitude is not good. We do not mean to criticize such talk arbitrarily, but we should make earnest analysis of such talk. Because "there is no pure gold" and "there is no perfect man," as everyone knows, "neither heaven nor earth, the sages, or everything on earth is perfect," let alone our unprecedented great cause of reform. If there are shortcomings, we should appreciate well-meaning discussions because they will promote reform more successfully. There are indeed some people, however, who, instead of discussing weak points and flaws properly, follow others closely with the evil intention of treading on their heels, seizing upon their mistakes and ignoring their achievements. They even satirize persons who carry out reform persistently in order to depress them. Such an act is detrimental to unity and reform, and is very wrong. Of course, taking advantage of reform to seek personal gain and engage in malpractice is another matter. Even so, we do not have to make a fuss about it. In beginning a new cause or undertaking, there are always difficulties and there are always people who want to secure personal gain through speculation. When investigating and dealing with such persons and deeds, we should not deviate from our reform, but should further promote its sound development.

If we are to persist in reform, we should resolutely support those who carry out reform persistently. We should establish a public opinion and common practice conducive to opening the road for reform to solving difficulties and giving encouragement, confidence, and strength to those who carry out reform persistently. Let everyone see the prospects for reform from the people who conduct reform persistently, steel his belief in reform, and plunge into it of his own accord.

GUANGDONG TO CURTAIL CAPITAL CONSTRUCTION

HK081048 Beijing ZHONGGUO XINWEN SHE Chinese 1444 GMT 7 Oct 85

[Report by Qiu Jilin: "The Responsible Person of the Guangdong Provincial Planning Commission Answers Reporters' Questions on Curtailing Capital Construction"]

[Text] Guangzhou, 7 Oct (ZHONGGUO XINWEN SHE) -- At present, Guangdong Province has lost control of the scope of its capital construction and is now earnestly working to curtail it. Here is an interview given yesterday by the responsible person of the Guangdong Provincial Planning Commission:

Question: Will the new joint venture and cooperation projects be included in those to be curtailed?

Answer: At this time, we will mainly curtail those projects that lack the necessary funds, that rely on imported raw materials after starting operations, use foreign exchange in an unbalanced way, and cannot find a good market for their products. So the joint venture projects, cooperation projects, and enterprises with exclusive foreign investment will not be curtailed. We will continue to faithfully fulfill contracts signed with foreign businessmen and activity invite foreign investment in the future. Now cutting back projects with irrational structure and poor economic results is one measure to guarantee the smooth operation of the joint venture projects and cooperation projects.

There are 96 construction projects using foreign investment this year in Guangdong Province that have been approved by the provincial government. Guangdong's total investment in capital construction is nearly 0.8 billion yuan, 0.38 billion yuan more than originally planned.

Although projects using foreign investment have gone beyond the control of the investment scope, we can still arrange those projects in our balanced plan after they have been examined and approved and on the condition that they can produce good economic results and have the necessary funds and raw materials. However, in the future, we will strengthen our macroeconomic control on projects with foreign investment and prevent the blind import of foreign technology and the construction of the same type of projects. For example, at present, we should not continue to build more hotels and amusement parks with foreign investment.

Question: What is the difference between curtailing capital construction investment in the three special economic zones, Shenzhen, Zhuhai and Shantou, and curtailing capital construction investment in some other areas?

Answer: The central authorities have made special regulations concerning the three special economic zones. They enjoy preferential treatment in their capital construction investment. The funds of the special economic zones come from four main sources: loans, self-raised funds, foreign funds, and internal economic associations. Originally, when the special economic zones applied for loans, the central authorities usually approved their applications. Now, although we are trying to curtail the scope of capital construction, we should not do it at one blow and we should still try our best to give preferential treatment to the special economic zones.

This year, the state's total investment in the three special economic zones is 1.45 billion yuan, almost equivalent to that of last year. But the central authorities are directly responsible for making the plans of the special economic zones and the provincial government will not conduct a special review of their plans. During the readjustment and curtailment of capital construction, the special economic zones should still continue construction on projects that have obtained the necessary funds, and should control the speed of construction of those projects lacking the necessary funds. The special economic zones should carry out construction according to the amount of funds they have.

Question: Will the key projects of the state and province be included in those to be curtailed and readjusted?

Answer: There are 36 key projects (8 are state key projects) in Guangdong Province. All these projects "will be kept and will not be curtailed," because two-thirds of their projects concern energy, transportation, communications and the national economy of the province.

After this readjustment, at the end of this year, the construction of 10 key projects will be completed and 7 key projects will start partial operations. It is estimated that Guangdong Province will be able to increase its electric energy production by 204,000 kilowatts, extend the 220-kilovolts transmission and transformation line by 258 kilometers and the 110-kilovolts transmission and transformation line by 140 kilometers, build nine 10,000-ton berths that can handle up to 3.2 million tons of cargo a year, install 51,000 new automatic program control telephones, and extend the 1,800 lines of data microwave by 1,017 kilometers. The construction and operation of these projects will ease Guangdong's energy, transportation, and communications.

Question: How is the work of curtailing capital construction going on now?

Answer: In the first half of this year, we began to pay attention to the problem of over-stretched capital construction and the problem of excessive investment and established an office to "curtail fixed assets and investment scope." After conducting the review and examination, we have found that total investment in capital construction in Guangdong Province has reached 2.65 billion yuan, exceeding the amount set by the state (excluding the special economic zones), so our provincial government has decided to reduce total investment in capital construction to 2.2 billion yuan.

GUANGDONG CPC DISCUSSES NATIONAL CONFERENCE

HK081336 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 5 Oct 85

[Text] This morning, the Guangdong Provincial CPC Committee held a meeting of party cadres at and above the bureau level from various provincial institutions to relay the spirit of the CPC National Conference of Delegates and the 4th and 5th Plenary Sessions of the 12th CPC Central Committees. Lin Ruo, secretary of the Guangdong Provincial CPC Committee, and Ye Xiangping, deputy secretary of the provincial CPC Committee and provincial governor, presented reports to the meeting. The meeting was presided over by Xie Fei, deputy secretary of the provincial CPC Committee. Some 4,000 people attended today's meeting. They included leaders of various provincial departments, bureaus, and offices; leaders of the Guangzhou City CPC Committee and government, members of the provincial CPC Committee and the provincial Advisory Commission, CPC members of the provincial People's Congress Standing Committee, CPC Members of the provincial CPPCC Committee, and retired party cadres who enjoy the same treatment as incumbent cadres at and above the level of provincial departments.

In his report, comrade Lin Ruo first narrated the course of the National Conference of Party Delegates and then concentrated on the content of the proposals for the Seventh 5-Year Plan adopted by the conference and the partial adjustment of the central leading organs. He also talked about the issue of building socialist spiritual civilization and arranged the work of studying and publicizing the documents of the National Conference of Party Delegates. Lin Ruo stressed the need to study and publicize the documents of the National Conference of Party Delegates. He said: The proposal for the Seventh 5-Year Plan, the decision on promoting cooperation between new and old cadres and the succession of the new to the old, and the speeches by comrades of the central Political Bureau Standing Committee at the conference are all important documents of rich content and great significance.

Seriously studying and deeply understanding these documents will ensure our unity of thought and action. This is the most important task in ideological and political work for party organizations at all levels. Comrade Lin Ruo said: Comrades below the county level should mainly study Comrade Hu Yaobang's opening speech, Comrade Zhao Ziyang's explanation of the proposal for the Seventh 5-Year Plan, speeches by Comrades Deng Xiaoping and Chen Yun, and Comrade Li Xiannian's concluding speech. Leading comrades in party committees and governments at and above the county level should not only study these documents but should also study the Central Committee's proposal for the Seventh 5-Year Plan. In the course of study, people should correctly assess the present situation; should always place reform first; and should clearly understand the guideline for the Seventh 5-Year Plan, the present tasks in economic work, and the significance of building socialist spiritual civilization and promoting the succession of new cadres to old cadres.

Comrade Ye Xuanping relayed central comrades' speeches about properly handling economic work.

IRREGULARITIES REPORTED IN GUANGDONG FINES, FEES

HK081358 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 5 Oct 85

[Text] Recently, the Standing Committee of the Guangdong Provincial People's Congress sent seven inspection groups to all parts of the province to check the phenomena of arbitrarily imposing fines, unreasonably raising prices, and randomly charging fees. The inspection groups yesterday and the day before reported what they found to the Standing Committee. According to their inspection, the above-mentioned irregularities in this province exist widely and in some places have developed to an intolerable degree.

First, in some places, many departments simultaneously impose levies on the same item. For example, in Kaiping County, 11 departments impose levies on a tractor in the name of 29 items. The fees paid in a year are equal to one-third of the tractor's cost.

Second, some local departments abuse their power in imposing fines or levies. They stipulated items and standards for imposing fines or levies without authorization. Some schools or kindergartens charge 100 yuan for recruiting a new pupil. Some traffic or public hygiene supervisors wilfully doubled fines once the accused tried to defend themselves.

Third, some local authorities raise fees at will. For example, the fee for marriage registration was only .8 yuan, but the provincial Civil Department raised it to 5 yuan. This aroused many complaints among the masses. Some localities then raised the fee to as high as 20 yuan.

Fourth, some units go so far as to extort money.

The inspection groups pointed out: These irregularities not only harm the interests of the people, but also seriously disrupt economic reform and worsen relations between the government and the people. Effective measures must be quickly taken to check these irregularities. The provincial People's Congress Standing Committee will sort out the materials collected by the inspection groups as soon as possible and will prompt the provincial government to seriously handle these cases and take measures to strengthen things out.

LHASA REORGANIZES VIDEOTAPE SHOWING CENTERS

HK041239 Lhasa Xizang Regional Service in Mandarin 1130 GMT 28 Sep 85

[Excerpts] The Lhasa leading group for administering videotape shows has taken effective measures to completely reorganize the commercial videotape showing centers. The move received a good response from the people.

On 9 June, the Lhasa leading group for administering videotape shows began reorganizing [words indistinct] commercial videotape showing centers in downtown Lhasa. In the course of reorganization, comrades of the leading group organized the workers of the videotape showing centers to study the regulations of the central authorities and the region on banning the showing of pornography. After repeated and in-depth education on the legal system, the workers really understood that it is glorious to observe the law but shameful to violate it. [words indistinct] many workers of the videotape showing centers made statements that they would strictly adhere to government regulations on showing videotapes. Some even voluntarily handed over pornographic videotapes they had kept, and helped the responsible personnel confiscate pornographic videotapes. According to statistics, during the reorganization, the Lhasa leading group for administering videotape shows discovered and seized two caches of pornographic videotapes. It also arrested two criminals who speculated in the tapes and some people who ran commercial videotape showing centers without licences.

The leading group for administering videotape shows commended the people who voluntarily handed over their pornographic videotapes and those who actively helped the group check the tapes. In addition, it revoked the licences, confiscated the equipment, and imposed fines on those who violated the law and illegally showed pornographic videotapes. Recently, the city stipulated that all videotape showing centers banned from operating following the reorganization are prohibited from showing any videotapes. If caught doing so, their videotape equipment will be confiscated. Anyone who brings about serious results must be held accountable in accordance with the law.

Station Commentary

HK041247 Lhasa Xizang Regional Service in Mandarin 1130 GMT 28 Sep 85

[Station commentary: "Never Allow Pornographic Videotapes To Poison Society"]

[Excerpts] The illegal activities of smuggling and producing -- including dubbing -- and selling and showing pornography have recently become serious in some of the region's cities and towns. The showing of pornographic videotapes is the most serious of these activities. Worse yet, some people have taken advantage of their offices and shown confiscated pornographic videotapes, or used confiscated videotape equipment for dubbing pornographic videotapes.

Because of the widespread showing of pornographic videotapes, people's minds have been eroded and the general mood of society has been corrupted. This has also damaged the hearts of our youth and has undermined the building of socialist spiritual civilization. It is also the root of crime and therefore has become a prominent issue.

Our country is a socialist country. Our socialist spiritual civilization, which focuses on communist thought, is one of the characteristics that distinguishes socialism from capitalism. Under no circumstances shall we allow the propagation of pornography, allow decadent and moribund capitalist thoughts to spread unchecked, or allow vulgarity to pound at our fine national culture.

Therefore, the leadership at various levels must attach great importance to the problem. In addition, they should adopt effective measures to solve it, and actively promote the simultaneous building of material and spiritual civilizations.

Under the centralized leadership of the party committee, public security departments at various levels must voluntarily coordinate their efforts with the propaganda department, education and culture, radio and television, customs, and industrial and commercial administrative departments and with such mass organizations as the trade unions, CYL, and the Women's Federation. They should resolutely strike at the illegal smuggling, producing, dubbing, selling and showing of pornographic videotapes and at the evil-doers.

The work of striking at pornography must be carried out strictly in accordance with the law and policy. They must implement the work seriously without enlarging the scope of the campaign. They must handle properly and in accordance with the seriousness of the cases those people who fall into an embarrassed situation in connection with these activities.

Moreover, the public security departments must coordinate with the industrial and commercial administrative departments and so on, and completely reorganize the commercial videotape showing centers. Any center that has not received approval from the authorities is prohibited from operating. In case of violations, pornographic videotapes, all videotape showing equipment, and all illegal revenues will be seized. Moreover, the person directly responsible and the leadership concerned will be seriously dealt with by law. Anyone who takes advantage of his office and shows the confiscated pornographic videotapes should also be seriously punished by law. No party, government, or military organ is allowed to run any videotape showing center, nor are they allowed to jointly run any videotape showing center with other units, nor are they allowed to contract out videotape showing centers to any individual.

Irrespective of the unit concerned, the immediate leader of anyone who allows, winks at or shields the smuggling, producing, dubbing, selling, or showing of pornographic videotapes should be held legally accountable. We should encourage units and individuals to hand over pornographic videotapes and advise those people who smuggle, produce, dub, sell, and show pornographic videotapes to confess their crimes so that they will be treated leniently. In addition, we must seriously punish, according to law, those who refuse to hand over pornography even though they are found possessing it.

All units must further strengthen ideological and political work and set strict standards in educating their workers. In particular, teachers and parents must set strict standards educating children. At the same time, party committees and people's governments at various levels, particularly the radio and television, and cultural and arts departments, must guide the region's creative manpower to produce more literary and art works.

YUNNAN LEADERS RETURN FROM CPC MEETINGS

HK071000 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 28 Sep 85

[Text] Some committee members and delegates of our province who attended the 4th and 5th Plenary Sessions of the 12th CPC Central Committee and the National Conference of Party Delegates successfully completed all important tasks of the sessions and returned to Kunming by special plane this morning. At about 1100, the special plane the committee members and delegates had taken landed at Kunming Airport.

Grinning from ear to ear, Pu Chaozhu, member of the CPC Central Committee and secretary of the Yunnan Provincial CPC Committee; Lang Dazhong, member of the CPC Central Committee, Yin Jun and Huang Demao, alternate members of the CPC Central Committee; Zhang Zhixiu of the Central Advisory Commission; and Li Xingwang and (Liu Yuntong), members of the Central Commission for Discipline Inspection, alighted from the plane, warmly shook hands and cordially talked with Li Shuji, deputy secretary of the Yunnan Provincial CPC Committee; Zhao Shumin, Zhao Tingguang, Zhu Kui, and Wang Xintian, provincial CPC Committee Standing Committee members, Liang Lin, secretary general of the provincial CPC Committee; and Zhang Zhiming and (Zeng Xinglu), responsible comrades of the resettlement office after the reorganization of the organs of the Kunming Military region.

Under the firm leadership of the CPC Central Committee, the committee members and delegates are resolved to seriously convey and implement the spirit of the sessions and conference, to unite and work hard with the people of all nationalities throughout the province to carry out the great plan, and to contribute to the successful fulfillment of the Seventh 5-Year Plan.

YUNNAN HOLDS MEETING OF PARTY MEMBER CADRES

HK090458 Kunming Yunnan Provincial Service in Mandarin 2300 GMT 4 Oct 85

[Excerpts] On the afternoon of 4 October, the Yunnan Provincial CPC Committee held a meeting in the Shengli People's Hall, Kunming, of cadres who are party members, to convey the spirit of the National Conference of Party Delegates and the 4th and 5th Plenary Sessions of the 12th CPC Central Committee. The meeting was also held to make arrangements for the study, publicity, and implementation of the spirit of the conference and plenary sessions and to mobilize the people of all nationalities throughout the province to continue to advance in the direction charted by the CPC Central Committee, to units, and to work hard to carry out the great plan.

Pu Chaozhu, member of the CPC Central Committee and secretary of the Yunnan Provincial CPC Committee, reported on the spirit of the conference and plenary sessions. His report was divided into three parts. The first part dealt with the circumstances and process of the conference and plenary sessions. The second part dealt with several points of view on the spirit of the conference and plenary sessions. In this part, Comrade Pu Chaozhu discussed five points: 1) It is necessary to apply the viewpoint of dialectical materialism to analyze and understand the situation; 2) in reform, it is essential to adhere to correct orientation and to establish the confidence of eventual triumph; 3) in accordance with the spirit of suggestions on the Seventh 5-Year Plan, it is imperative to pay attention to solving several problems in the aspect of the guiding ideology on economic work and the development strategy, 4) we must really strengthen and improve ideological and political work to meet the needs of the new historical period; and 5) our young and elderly cadres must unite and cooperate and contribute toward pushing forward reform and modernization.

The third part dealt with seriously studying, publicizing, and implementing the spirit of the conference of party delegates.

Comrade Pu Chaozhu said: By working out the suggestions on the Seventh 5-Year Plan, the National Conference of Party Delegates partially readjusted and elected additional members to leadership organs of the central authorities and successfully solved two major matters bearing on the overall situation of the party and the state. The documents of the conference and plenary sessions and the speeches of the leading comrades of the central authorities have extremely important and profound significance for guiding all aspects of work of the whole party.

Therefore, it is an important current political task of party organizations at all levels to organize all party members and cadres to seriously study the spirit of the National Conference of Party Delegates, to use the spirit of the conference and plenary sessions to mobilize and educate all party members and people throughout the province in promoting the building of two civilizations, to push forward reform of the economic structure, and to strive to achieve basic improvement in party style and the general mood of society. This is also an important political task of ideological and political work. The provincial CPC Committee Standing Committee has decided that it should study well by itself. Beginning next week, it will spend a certain amount of time on seriously and completely studying the documents of the conference and plenary sessions to thoroughly understand the spirit of the documents. CPC committees at all levels and all departments must seriously organize study in accordance with the arrangements of the provincial CPC Committee. Party schools at all levels of the province, prefectures, and counties must train party member cadres at all levels by stages and in groups so that the whole party can unify understanding and actions.

He Zhiqing, deputy secretary of the Yunnan Provincial CPC Committee and governor, presided over the meeting. Attending were Zhu Zhihui and Li Shuji, deputy secretaries of the Yunnan Provincial CPC Committee; Zhao Shumin, Qiu Chuangjiao, Zhao Tingguang, Zhu Kui, Zhang Zhiming, Wang Xintian, and Yin Jun, provincial CPC Committee Standing Committee members; Li Xingwang, chairman of the Yunnan Provincial Advisory Commission; Hou Qunying, Wang Lizhong, Lin Chao, Wang Jingu, Wang Dian, Chen Shengnian, and Meng Gi, Standing Committee members, Luo Yun Tong and Luo Jiguang, deputy secretaries of the Yunnan Provincial Discipline Inspection Commission; Li Guiying, chairman of the provincial People's Congress Standing Committee; Vice Chairmen Qi Shan, Yan Yiquan, Ma Wendong, Wang Shichao, and Yu Huoli; Vice Governors Chen Liying, Dao Guodong, and Jin Renqing, Huang Ping and (Yang Yitang), vice chairmen of the provincial CPPCC Committee; and Comrades Sun Yuting, Gao Zhiguo, (Xue Tao), and Zhu Jiabi. The delegates attending the national conference of delegates who were in Kunming also attended the meeting.

YUNNAN CALLS HALT TO PRODUCT QUALITY DECLINE

HK090449 Kunming Yunnan Provincial Service in Mandarin 2300 GMT 8 Oct 85

[Text] According to YUNNAN JINGJI XINXI BAO [YUNNAN ECONOMIC INFORMATION NEWSPAPER], the province's sales volume of manufactured goods increased but product quality declined between January and July of this year. The provincial Economic Commission issued a circular urging leaders at various levels to pay attention to and adopt policy measures to put an end to this state of affairs as quickly as possible. Failure to promptly solve the problem will endanger the existence of enterprises and seriously hinder the improvement of the economic results of society.

HEBEI HOLDS CONFERENCE ON CONSCRIPTION ARRANGEMENTS

SK040940 Shijiazhuang HEBEI RIBAO in Chinese 15 Sep 85 p 1

[Text] Recently, the provincial people's government and the provincial military district held a joint work conference on conscription to make arrangements for the conscription work this year.

At the conference, Li Feng, vice governor of the province, delivered a speech, in which he pointed out: As compared with the work done in the past, the province has conducted the following reforms in the conscription work this year. All new conscripts will take a physical examination to check liver function and the presence or absence of the antigen of B-type hepatitis. Efforts should be made to conduct unified examination in this regard. In addition to having some units themselves pick conscripts who are qualified for the central guards regiment and the honor guard, others will be delivered to the PLA units by the local authorities. Localities with adequate transport facilities may organize new conscripts to report for service to the PLA units. The province will also recruit a number of young staff members and workers who have the cultural standard of senior middle school graduates and have been placed in mining and industrial enterprises and units for the convenience of the state. In facing the new situation and characteristics in the work, party committee and people's governments at all levels should cherish and support the army, and display a spirit of responsibility for building modern national defense. They should excel in recruiting new army men and sending them to PLA units in order to contribute to building the armed forces.

In his speech, Comrade Li Feng urged party committees, people's governments, trade unions, CYL committees, and women's federations at all levels to publicize the "military service law" extensively and to conduct education on the law during the conscription period. In this way, the broad masses of young people old enough to join the Army could enter military service in line with the law, regard the defense of the motherland as their sacred duty and glorious task, correctly deal with the relationship between interests of the individual and the state and the relationship between devotion to becoming wealthy and service in defense of the country, and to actively and enthusiastically sign up to join the PLA.

ZHOU HUI INVESTIGATES NEI MONGGOL COUNTIES

SK070155 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 4 Oct 85

[Text] Upon returning on the eve of National Day from Beijing, where he had participated in the National Conference of Party Delegates, Zhou Hui, secretary of the regional CPC Committee, visited urban and rural areas of Fengzhen and Zhuozhi Counties to propagate and implement the guidelines of the National Conference of Party Delegates, to investigate and learn about the current situation on the urban and rural economic reforms and on the production and livelihood of the masses, and to celebrate the Mid-Autumn Festival and National Day.

As soon as he got off the train in Fengzhen County, Comrade Zhou Hui talked with local party and government leaders, inquiring about the situation in agricultural and industrial production this year. He pointed out: In Nei Monggol, we must unflinchingly grasp grain production, must make the best use of existing water conservation projects, must support the households specializing in water conservation projects, and must expand the acreage of irrigated land. We should also plant crops scientifically, and strive to increase the per-unit yield of grain.

In the course of grasping diversified production and rural industrial sideline production, we should actively adopt measures to steadily increase grain production. At present, we should give priority to the procurement of grain and other agricultural and sideline products.

Soon afterwards, Comrade Zhou Hui went to Chengguan and (Longshengzhuang) towns to investigate the situation on reform and construction of small towns. During his investigation, he emphatically pointed out: In readjusting the structure of rural production, we should properly handle the relationship between grain and cash crops. In opening ourselves to the outside world and invigorating our economy, we should strengthen lateral and vertical contacts with other places and handle well the relationship between our region and remote places and neighbors. We should depend on our own efforts to vigorously develop the urban and rural processing industry and to energetically increase economic results. After hearing that the (Longshengzhuang) supply and marketing cooperative has joined the ranks of the region's best in annual profit, thanks to the reform project at the proceeding stage, Comrade Zhou Hui was very happy, and stressed the need to conscientiously sum up experiences and to fully mobilize the initiative of the vast number of peasants. He also stressed that peasants' affairs must be handled by peasants themselves.

When Comrade Zhou Hui once again went to peasant households in (Hejie) natural village in (Longshengzhuang) town where he had visited in 1983, peasants happily told him that they have gradually embarked on the path of prosperity over the past few years thanks to implementation of the large-scale production responsibility system. Informed about the income and efficiency of the integrated enterprises run by the masses with joint funds on a voluntary basis, such as oil mills, brick kilns, [words indistinct], rice and flour processing shops, and transport enterprises, Comrade Zhou Hui agreed with them in their methods, and then pointed out that they should make the best use of the situation to propagate such new, voluntary rural economic integration.

During his investigation, Comrade Zhou Hui also carefully learned about the construction of grass-roots party organizations in rural areas. He called for strengthening the work of grass-roots party organizations and attaching importance to education on the party's basic knowledge among party members in order to enable the vast number of party members to always bear in mind the basic purpose of serving the people. In this way, we can affect and promote a fundamental turn for the better in the entire social atmosphere with the fundamental turn for the better in party style.

During his current investigation, Comrade Zhou Hui also went to some neighborhoods, shops, workers' hospitals, and plants producing articles for minority nationalities in (Longshengzhuang) town in Fengzhen County and in Qixiaying town in Zhouzi County, and extended festive greetings to cadres and the masses of all nationalities.

NEI MONGGOL SECRETARY WATCHES PLANE TEST FLIGHT

SK070202 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 5 Oct 85

[Excerpts] Regional party and government leading comrades, including Zhou Hui, Bu He, Tian Congming, Xu Lingren, Ma Zhenduo, (Han Bing), and Bai Junqing, enthusiastically watched the test flight of the (Lifeng) No 5 plane -- the first region-made multi-utilization, super-light plane--at the Hohhot (Baixue) Airport on the morning of 4 October.

The (Lifeng) No 5 plane was designed by the Beijing Aeronautics Institute and manufactured by the Hohhot [words indistinct] factory. The plane, with a loading capacity of 140 kilograms, can carry three persons.

While watching the plane's test flight, leading comrades, including Zhou Hui and Bu He, asked details about the functions, utilization, and the pilot production of the plane. They also extended greetings to the personnel who are engaged in the development, manufacture, the test flight of the plane.

ZHOU HUI ATTENDS FIFTH WOMEN'S CONGRESS

SK080139 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 7 Oct 85

[Text] The fifth autonomous regional women's congress ceremoniously opened in Hohhot City on 7 October. More than 600 women representatives happily got together to discuss the major tasks for creating a new situation in the region's women movement, to arouse women throughout the region to be determined to unite as one in waging struggle, and to pioneer the road of advance in order to make the region prosperous.

Attending the opening ceremony of the congress were leading comrades of the regional party, government, and army organs, and the regional CPPCC Committee, including Zhou Hui, Bu He, Batubagen, Tian Congming, Wu En, Xu Lingren, Zhou Rongchang, Ma Zhenduo, Lin Weiran, Zhou Beifeng, Zhang Fenglin, and Yun Zhaoguang; and responsible persons from the departments concerned and the mass organizations.

The participating representatives are from various social circles and represent more than 8.6 million working women of various nationalities throughout the region, including advanced individuals and labor models from various fronts, the delegates of "8 March" red banner bearers, "8 March" red banner collectives, and "five-good" households; the full-time workers in charge of women's affairs; the delegates of various democratic parties, patriotic women engaging in work at border areas, Taiwanese women compatriots, family members of personnel staying in Taiwan, returned Overseas Chinese women, and family members of the Overseas Chinese; and veteran women cadres who have made contributions to the region's women's movement. The attendance at the congress has fully demonstrated the great unity among women of various fronts and nationalities and has indicated a new vitality of regional women's movement.

During the congress, delegates will earnestly sum up the work done in the period since the fourth regional women's congress; discuss and work out the tasks of the regional women's movement for the upcoming 5 years; and will arouse the broad masses of women to actively plunge into the drive of conducting reforms, strive to make contributions to the fulfillment of the Seventh 5-Year Plan, and build Nei Monggol into a wealthy and civilized region of great unity.

(Muyunqimuge), executive chairman of the congress, presided over the opening ceremony this morning, and (Wang Xingwei) delivered an opening speech. Tian Congming, deputy secretary of the regional CPC Committee, also delivered a speech on behalf of the regional CPC Committee and the regional people's government, in which he extended warm congratulations on the convocation of the fifth regional women's congress and expressed hearty respect and cordial regards to the women comrades on various fronts and in various posts, who are enthusiastically engaging in building socialist material or spiritual civilizations throughout the region.

At the session held on the afternoon of 7 October, (Muyunqimuge) delivered a work report on behalf of the fourth executive committee of the regional women's federation entitled "Hold High the Banner of Unity and Construction and Be Keen on Conducting Reforms in Order To Create a New Situation in the Region's Women Movement."

NEI MONGGOL SOCIAL ECONOMIC SUCCESSES REPORTED

SK031150 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 2 Oct 85

[Text] During the Sixth 5-Year Plan period, the region's national economy has begun to embark on the path of focusing on raising economic results, and relatively remarkable improvement has been made with regard to social economic results.

The major indicators are as follows:

1. Labor productivity has risen substantially. Calculated according to equivalent prices in 1980, the national income created by each laborer in 1984 reached 923 yuan, a 47.2 percent increase over 1980.
2. The per-capita income has increased. During the Sixth 5-Year Plan period, the per-capita income has increased at an average rate of 11.4 percent annually, greatly surpassing the average increase rate of 2.6 percent during the Fifth 5-Year Plan period.
3. The effectiveness of accumulation has increased. During the period covered by the Sixth 5-Year Plan, the added national income from each 100 yuan accumulated increased from 13.8 yuan in 1980 to 46.8 yuan in 1984, an increase of 33 yuan in 4 years.
4. The rate of materials consumption has dropped. During the period covered by the Sixth 5-Year Plan, the regional materials consumption rate dropped from 56.9 percent in 1980 to 52.45 percent in 1984.

SHANXI RIBAO ON LIGHTENING PEASANTS' BURDEN

HK071501 Taiyuan SHANXI RIBAO in Chinese 14 Sep 85 p 1

[Commentator's article: "Immediately Put an End to 'Four Excesses' To Lighten the Peasants' Burden"]

[Text] In recent years, the CPC Central Committee and the State Council have issued repeated injunctions to earnestly lighten the peasants' burden, and party committees and governments at various levels have also made much effort to this end. Presently, however, the burden of peasants in many localities is still increasing. In addition to paying taxes according to law and contributing reasonable accumulation funds to the collective, the peasants have to pay various fees and charges. Sometimes, they have to pay several dozen such fees and charges, amounting to 20 to 30 yuan. In some localities, funds and charges are indiscriminately collected and fines indiscriminately imposed. Such payments are made directly by the peasants or indirectly through town enterprises. The "four excesses," collecting excessive fees, charges, and funds and imposing excessive fines, have seriously undermined party style, encroached upon the interests and rights of the peasants, and reduced the capacity for expanding reproduction of peasant households and the collective economy. They have become a negative factor, harming the relationship between the party and the masses and between workers and peasants and affecting the development of the rural economy. We must pay great attention to them and quickly and resolutely put an end to them.

It must be pointed out that an important reason why our party and government have been able to establish close ties with the peasants is that we have lightened the peasants' burden. This was true in the new democratic revolution period and is also true in the socialist construction period. All peasants agree that the party's policies formulated since the 3d Plenary Session of the 11th CPC Central Committee are good because these policies have enabled the peasants to build up their strength, lightened their burden, and brought them material benefits.

There is still a reasonable burden but what the peasants pay is limited and what is collected has been used appropriately. The peasants' experience has made them realize that the party and government are serving them and are working in their interest. At present, some departments and units have paid no attention to the party's traditions or to the overall situation, but have proceeded from the needs of their respective departments and units alone, and even from personal gain, and have increased the peasants' burden under all sorts of pretexts. This is intolerable. Chief leaders at various levels must personally handle this problem, carry out serious and thorough inspection regarding this problem, and take resolute measures to solve it.

There are two main causes of the increase in the peasants' burden. One is the idea that since the peasants have become better off in the past few years, more funds should be collected to improve their welfare. Comrades with this idea are not clear about reality. It is true that the rural economy has developed very fast in the past few years, but such development is quite uneven among various localities. Most peasants have only solved the problem of food and clothing and some peasants still have much difficulty in their daily lives. If we pay no attention to existing conditions and try to spend more than we should, we will certainly obtain a negative result. The other cause is the attempt to benefit one's own department or to seek personal gain. In order to lighten their own burden, some people have shifted their burden to the peasants or in order to increase their income and get more bonuses, they have indiscriminately collected excessive fees, charges, and funds from the peasants or imposed fines on them. Collecting money in this way goes beyond the peasants' ability, and the direct consequence is the opposition of the peasants. This will also impede, and even sabotage, the reform of the economic structure. The peasants' problems are China's problems. Once the peasants are living and working in peace and contentment, the country will prosper. An important condition for achieving this is to reduce the peasants' burden. It is high time that leaders at various levels solved this problem at once.

TIANJIN SYSTEM STREAMLINES PROBLEM REPORTING

OW051745 Beijing XINHUA in English 1637 GMT 5 Oct 85

[Text] Tianjin, October 5 (XINHUA) -- Tianjin has formed a system whereby top officials receive brief reports of problems every day from a network of 120 civil servants strategically placed to keep their eyes open for bottlenecks in the administration.

Under the old setup, reports had to climb the administrative ladder step by step before any action was taken. This naturally led to extensive delays, but now much speedier steps can be taken as the problems come immediately to the attention of the top figures. In addition to the network formed by civil servants, the municipal government has selected 39 subdistrict offices and nine district governments as sources of information. These link 108 neighborhood committees, each of which keeps in touch with more than 1,000 families.

At first, each of these offices submitted a report to the municipal government every 15 days on suggestions and complaints from the residents. Since the end of last year, the municipal government has extended the network to all government offices and rural districts and counties under its jurisdiction. Now brief reports on public opinion as well as economic and social affairs are submitted to the government every day.

The network helps maintain close ties between the government and citizens and raise government efficiency.

In May this year, a large amount of coal was shipped from Shanxi Province. China's leading coal producer, to Tianjin and overstocked in a railway stockyard, seriously affecting its normal operation. The piles of coal were removed within three days after a vice-mayor read a special report the next day. A railway official told XINHUA that such cases used to take weeks.

When soybeans were in short supply in Tianjin earlier this year, the mayor immediately sent people to consult the railway ministry on how to best transfer soybeans from other parts of the country.

A water shortage problem in a residential building was solved at once after municipal government officials learned the news through the brief reports.

TIANJIN TO ACCEPT BIDS ON PORT PROJECT

OW050242 Beijing XINHUA in English 0215 GMT 5 Oct 85

[Text] Tianjin, October 5 (XINHUA) -- Work on a 1.1 billion yuan expansion scheme at Tianjin port will be put out to tender later this year, a port official said today. Twenty firms from Federal Germany, Japan, Singapore and the United States have expressed an interest in the scheme which, upon completion by the end of 1991, will boost the port's annual cargo-handling capacity from 16 million tons last year to 22.8 million tons.

Dikes will be built to create an artificial peninsula to provide sites for 12 berths for 10,000-ton class ships and auxiliary facilities. The project will also include new wharfs, stockyards, a railway marshalling yard, 13 kilometers of railway lines and a sewage treatment plant to handle two million litres a day.

It will cost 500 million yuan plus 200 million U.S. dollars in hard currency, and the World Bank has agreed to extend loans.

The Beijing-based China International Bidding Company will accept tenders on behalf of the Tianjin port authorities.

FURTHER ON CENTRAL DELEGATION XINJIANG VISIT

Wang Zhen Meets Kazak Herdsmen

HK071452 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 6 Oct 85

[Excerpts] This morning, accompanied by responsible comrades of the regional party, government, and Production and Construction Corps including Wang Enmao, Janabil, Chen Shi, and Hedeerbai, Wang Zhen and Xu Qing, head and deputy head of the central delegation, as well as some members of the delegation, went by car from Altay City to the (Aleita) ranch in the suburbs, where they visited and extended greetings to the Kazak herdsmen.

At 1100, Wang Zhen and the deputy head of the delegation arrived at the ranch, which was immediately astir with jubilant crowds. Accompanied by Wang Enmao and other comrades, Wang Zhen cheerfully reviewed a procession formed by over 2,000 herdsmen. At the (Aleita) ranch, located at the foot of a mountain and near a river, Kazak herdsmen held a rally welcoming the visit of the central delegation. At the rally, Wang Zhen made a warm speech. On behalf of the CPC Central Committee, the NPC Standing Committee, and the State Council, he first extended greetings to all Kazak herdsmen. He said: Altay is a good place. When Secretary General Hu Yaobang visited here this year he gave important instructions on developing the area. He encouraged the Kazak herdsmen as well as other fraternal nationalities to further unit and strive to build a better, more beautiful and richer Altay.

At the rally, the central delegation presented gifts to the Kazak herdsmen. On behalf of all Kazak herdsmen, the principal responsible comrades of the Altay Prefecture and City also presented gifts to Wang Zhen, Xu Qing, and other members of the central delegation. Wang Zhen enthusiastically shook hands with the Kazak herdsmen and had a group photo taken to mark the occasion.

This morning, accompanied by Wang Enmao and other comrades, Wang Zhen and Xu Qing, head and deputy head of the central delegation, as well as some members of the central delegation, went to the northern regiment of agricultural division No 10. They listened to reports by the responsible comrades of agricultural division No 10, and visited a textile factory of the northern regiment.

Returns to Urumqi From Altay

HK081252 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 7 Oct 85

[Text] This morning, Wang Zhen and Xu Qing, head and deputy head of the central delegation; as well as some members of the delegation departed Altay Prefecture for Urumqi by special plane after visiting the cadres, peasants, herdsmen and fighters of the reclamation area of the prefecture. Responsible comrades of the regional party, government, and Production and Construction Corps who accompanied Wang Zhen to the prefecture, including Wang Enmao, Janabil, and Chen Shi, also returned to Urumqi by air.

The leadership of the regional party, government, and military, such as Tomur Dawamat, Tan Shanhe, Liu Haiqing, and Tang Guangcai, greeted Wang Zhen and party at the airport.

Later, accompanied by Wang Enmao and other comrades, Wang Zhen and Xu Qing, head and deputy head of the delegation, as well as some members of the delegation, went to the site of agricultural division No 6 of the production and construction corps at (Wujiaci). The party was warmly greeted by some 10,000 workers and students of agricultural division No 6.

Delegation Members in Shihezi

HK090611 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 7 Oct 85

[Excerpts] This morning, Hao Jianxiu and Ren Ying, deputy heads of the central delegation, as well as some members of the delegation, went to Shihezi reclamation area and visited cadres and workers. They were warmly greeted by several thousand people. Shihe Town was decorated with ribbons and flower terraces. Slogans were hung everywhere on the main streets welcoming the delegation and colored flags fluttered in the breeze atop tall buildings. Accompanied by leading comrades of the region and the Production and Construction Corps, including Qi Guo, Song Hanliang, Zhang Sixue, (Xu Gaodong) and Mayinu'er, Hao Jianxiu and his party arrived at a hotel. Over a dozen children stepped forward and presented flowers to the delegation while the crowd waved bouquets and expressed assurances of their highest consideration for the delegation. In the afternoon, Hao Jianxiu and other comrades listened to the work report of the head of the No 8 agriculture division. They also watched videotapes about today's Shihe Town, and visited Shihezi Exhibition Hall, the No 2 primary school, shops, and factories.

Wang Guangmei Visit, Interview

HK071528 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 4 Oct 85

["Newsletter" on an interview with Wang Guangmei: "Sending Her Respects to Xinjiang's People of Various Nationalities"]

[Text] On the eve of National Day, Wang Guangmei, wife of late former president Liu Shaoqi, made a special trip to the region at the invitation of the regional CPC Committee and the regional government. The aim of her visit was to join in the activities marking the 30th anniversary of the founding of the region.

On 28 September, when the visitors from other parts of China visited the (Wujiaqi) reclamation area, the crowds that lined up to greet the guests immediately recognized her and burst into warm applause. Everyone vied with each other to shake hands with her. Some veteran comrades burst into tears, while the youths were excited. Wang Guangmei told the reporters that she was deeply moved by the scene. This 64 year old woman leads a simple life and her speech is amiable and easy. Upon learning that we wanted to interview her, she said happily: You've come at the right time. I just want to send my respects to Xinjiang's people of various nationalities through the station and the press. The people of Xinjiang are indeed very good.

Wang Guangmei said: This is the fourth time I have visited Xinjiang. Around March and April 1966, Vice Premier Chen Yi, Liu Shaoqi, and I stayed in Urumqi and Hotan several times on our visits to Pakistan and Afghanistan. I was deeply impressed by the beauty and abundance of Xinjiang and the ardent love of Xinjiang's people for the CPC Central Committee and the leadership. At that time, Comrade Shaoqi told Comrade Wang Enmao and other people that the place and the people of Xinjiang were so good that he would certainly visit the region again. Now, I am especially excited as I have been invited to visit the people of Xinjiang for Comrade Shaoqi.

Of her impressions on revisiting Xinjiang, Wang Guangmei said excitedly: Over the past 20 years, Xinjiang has stood the test of history and has made glorious achievements. On the very evening of the day that I arrived in Urumqi, I went to the top of (Hongshan) and had a beautiful view of the city at night. During my visit, I have found that the number of factories and new buildings in Urumqi has increased, the city has been beautified, the economy has been invigorated, and the people have started their road to prosperity. This is an encouraging scene. This is due first to the CPC Central Committee's principles and policies following the 3d Plenary Session of the 11th CPC Central Committee; and also to the industrious, brave, and wise people of Xinjiang. Comrade Yaobang suggested that we should strive further to fulfill our great plans. I think that the region is very promising. With the leadership of the CPC Central Committee and the regional CPC Committee, with the unity of the people of various nationalities, and by giving play to the advantages of vast territory and abundant resources, we shall certainly develop Xinjiang into a more prosperous area.

PREMIER COMMENTS ON GOVERNMENT'S REFORM EFFORTS

OW050300 Taipei CNA in English 0233 GMT 5 Oct 85

[Text] Taipei, Oct. 4 (CNA) -- Premier Yu Kuo-Hwa Friday said that the implementation of the three principles of the people and an early reunification of China under democracy is the aspiration of all Chinese people.

Replying an interpellation at the Legislative Yuan on the government's reform efforts Friday, Premier Yu said sound parliamentary system and the mass media have provided good channels to exchange opinions between the government and people on various policies of the government, Yu said.

"All we should do in the future is to unite closely and turn common understanding to common efforts to build social harmony and develop the nation," he said.

On the future efforts, Yu assured that:

-- On financial and economic, political, and diplomatic affairs: The government will further exchange views with parliamentarians and the public on important policies through all possible channels;

-- On parliamentary supervision of government policies:

The five-branch system as provided in the Constitution has the basic democratic spirit in balancing the government's executive authority. The Constitution provides that the Executive Yuan should be responsible to the Legislative Yuan. In addition, mass media fully reflects opinions of the public;

-- On recruit of young talents: The current examination and personnel systems are quite adequate. Capability and ethics are parts of the qualifications have been considered for official assignments. The government has also made administrative reforms; and

-- On implementation of democracy and the rule of law: The government will stick to this basic principle in policymaking. The government will also continue to fight against corruption.

The premier also said that various government agencies always welcome public suggestions, and continue the practice in the future.

GOVERNMENT PROTECTS FISHING FLEET WITH SHIPS, PLANES

OW080315 Taipei CNA in English 0251 GMT 8 Oct 85

[Text] Taipei, Oct. 7 (CNA) -- The government has sent fighter planes and Navy ships to protect free Chinese fishing boats operating on the waters around the Bashi Channel, Pengchia Island and the Tiaoyutai Islets, the Executive Yuan said Monday.

Answering an interpellation from legislator Chang Chien-hua, the Yuan said that ROC naval vessels and Air Force jet fighters are now making irregular patrols to protect ROC fishermen there.

Meanwhile, fishermen are asked to inform the concerned government agencies as soon as possible once they find any other nation's fishing boat operating in the ROC's territorial waters, the Yuan said. Only by doing so, the Yuan added, can the government offer necessary and quick assistance to fishermen.

MORE TARIFF CUTS TO BE OFFERED FOR U.S. PRODUCTS

OW061449 Taipei CNA in English 1432 GMT 6 Oct 85

[Text] Taipei, Oct 6 (CNA) -- The Republic of China's delegation to the ROC-U.S. trade consultative meeting is taking a good present to their American counterpart at the meeting which will start in Washington, D.C. Monday.

A ranking trade official revealed Sunday that the Chinese Government will offer tariff cuts on 10 more American products in addition to the cuts on the more than 100 import items the Chinese Government has decided it is willing to accept.

The U.S. authorities have asked the Chinese Government to reduce tariffs on 174 items of imports from the United States. The Chinese Government, however, agreed to accept the majority after considering the domestic situation. But the government is willing to offer tariff reductions on scores of American goods other than the minority of items for which it feels it cannot offer reductions, the official said.

The 174 items of American products cover agricultural and marine goods, consumers products and some industrial products.

In fact, this nation's tariffs on all imports, on the average, are not high in real terms. They have been reduced from 11.73 percent in 1974 to 7.89 percent in 1985, he said.

The tariffs for American products in 1984 were averaged at 7.39 percent, lower than the 8.45 percent the United States levies on imports from the Republic of China, he said.

STATUTES REVISED TO ENCOURAGE FOREIGN INVESTMENT

OW050322 Taipei CNA in English 0238 GMT 5 Oct 85

[Text] Taipei, Oct. 4 (CNA) -- The Ministry of Economic Affairs [MOEA] passed the revised draft of statutes governing Overseas Chinese and foreign investments Thursday, allowing foreign businessmen to invest in large trading firms and service industries in the Republic of China [ROC] and relaxing restrictions on foreign exchange remittances by Overseas Chinese and foreign investors.

According to the draft, large trading companies are included into the scope of Overseas Chinese and foreign investments in order to promote this country's external trade. And foreign businessmen's being allowed to invest in service industries here will help modernize ROC commerce by introducing foreign service industries into this country.

The draft also relaxed restrictions on foreign exchange remittances, allowing Overseas Chinese and foreign investors to remit their investment capitals in full out of the country after one year of operations.

A spokesman for the MOEA said Thursday that the revised statutes are expected to attract more Overseas Chinese investments because a new provision says that only half of the investment will be subject to inheritance tax.

INCREASE IN FOREIGN INVESTMENTS REPORTED

OW071022 Taipei CNA in English 0939 GMT 7 Oct 85

[Text] Taipei, Oct. 7 (CNA) -- Foreign and Overseas Chinese investments in the first three quarters this year topped US dollar 486 million in 121 cases of applications, indicating greater investment willingness from abroad amid world economic slump.

The total investments by Overseas Chinese and foreign entrepreneurs in the first nine months represented an increase of 39.41 percent or US dollar 137 million from the corresponding months last year.

According to statistics of the Economics Ministry's Investment Commission, there was an increase of eight investment application cases during the January-September period this year. The figures showed that foreign investments accounted for US dollar 450 million, while Overseas Chinese investments reached US dollar 30 million. Most of these investments came from the United States, Japan, and Hong Kong.

The Republic of China is among the few outstanding economies in the world today, Economics Minister Lee Ta-hai, quoting an International Monetary Fund report on world economic prospects, pointed out Sunday. Lee said in the current worldwide economic recession, the Republic of China has been performing much better than most other countries.

Lee said in the recent 1985 IMF world economy projection report as saying that the world economy is expected to grow at an average 3.4 percent this year and that of industrialized countries will be an average of 3.1 percent. The ROC economy is projected to grow at 5 percent, according to the IMF report. The report says industrialized countries are expected to have an average US dollar 50.4 billion deficits while the Republic of China will enjoy a US dollar 6.9 billion surplus. The above figures show the ROC economy is among a few better ones in the whole world, Lee said.

TRADE VOLUME DROPS; TRADE BALANCE STILL FAVORABLE

OW071033 Taipei CNA in English 0945 GMT 7 Oct 85

[Text] Taipei, Oct 7 (CNA) -- Despite a sharp drop in trade volume, the Republic of China managed to be one of the few countries enjoying a large trade surplus, according to the Board of Foreign Trade (BOFT).

BOFT said the ROC's exports in the first eight months of this year dipped 1.3 percent, while imports declined by 8.1 percent as a result of the economic decline in the U.S., the country's number one trading partner. However, the ROC chalked up a favorable trade balance to the tune of US dollar 6730 million [as received] in the eight-month period, BOFT said.

BOFT noted that South Korea and Singapore, the ROC's major trade competitors, and even a worse performance in the same months.

The Koreans suffered a 2.9 percent drop in exports and 7.7 percent in imports, with the red figure reaching US dollar 1.07 billion.

Singapore's exports dropped by 5 percent and imports dipped 5 percent in the first seven months of the year, with deficits hitting US dollar 2.1 billion, BOFT said.

WEN WEI PO ON PRC SATELLITE LAUNCHING PLANS

HK071048 Hong Kong WEN WEI PO in Chinese 7 Oct 85 p 3

[Report: "China To Launch Second Communications Satellite in the Spring of 1986 and First Meteorological Satellite in 1987"]

[Text] A ground satellite station is located in Weinan City, a 2-hour drive northeast from Xian City. That is one of the two control centers monitoring China's first communications satellite, STW-1. The other control center is located in Fujian Province. In addition, another ground station for monitoring China's satellites is located in a border area near the Soviet Union. The ground satellite station in Weinan is a 3-story building. Not far from this building is an antenna with a 30-foot diameter and two sets of wire poles as tall as 50 feet. China now has a total of eight ground stations and two satellite monitoring ships which are used to trace the space vehicles launched by China. The above-mentioned antenna is also linked with other ground stations. There are 14 TV monitors in the Weinan control center, and these monitors are linked with two China-made computers, a DGS-265 and a DGS-8.

In suburban Shanghai there is a factory specializing in making carrier rockets. Its name is the Xinzhong machinery plant. The Satellite Engineering Institute in Shanghai is stepping up the making of China's first meteorological satellite.

China's carrier rockets "Changzheng II" and "Changzheng III" are capable of carrying 5,000-pound satellites and placing them in low-altitude orbits or carrying 3,000-pound satellites to high-altitude orbits. These two types of rockets are propelled by liquid hydrogen and oxygen fuel. In the 1990's, China will be able to produce rockets propelled by solid fuel. China's first communications satellite was carried by 1 "Changzhen III" rocket, and the launching site was located in Xichang, southwest of Chengdu City. China has built two more satellite launching sites in the Gobi desert.

Now China has used carrier rockets for commercial purposes. The Chinese rockets can carry satellites for foreign customers to designated orbits. The price for a voyage by the "Changzhen I" [as published] rocket is \$4.1 million.

Since 1975, China has successfully launched 12 "Changzheng II" and "Changzheng III" rockets. There were two or three unsuccessful launches which were mainly caused by failures in the guidance system. Later this year, China will launch another new carrier rocket, its seventh test for the recovery of a space capsule. It will also launch its second Telstar in early 1986 and the third one, as well as its first meteorological satellite, in 1987. Furthermore, between 1988 and 1990, China also plans to launch remote-control satellites to outer space.

China is now maintaining ties with the U.S. space agency to exchange space technology.

CANADA MOVES TO BOOST TRADE TIES WITH PRC

HK070454 Hong Kong SOUTH CHINA MORNING POST (BUSINESS NEWS SUPPLEMENT) in English 7 Oct 85 p 5

[By "Canadian correspondent" Richard Liu]

[Text] Canada has taken an uncommon but successful route -- the twinning of cities and provinces -- to boost business with China.

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This indirect method to increase business has already paid off for the Canadian Province of Alberta which became a sister province of Heilongjiang Province in 1981.

Heilongjiang recently awarded a HK\$105 million order for oil-field equipment to Alberta's Dyer Equipment Inc. Alberta officials says the deal is one of the first direct businesses resulting from the twinning of the two provinces.

Earlier this year Calgary and Daqing became twin cities and now Toronto wants to court Chongqing. Toronto Mayor Art Eggleton says he wants to form a "brotherly relationship with a major city in a growing market." Mr Eggleton says Canada is largely seeking economic benefits, as opposed to the past when cities in different countries were twinned to foster cultural exchanges.

These days business is the thrust of these arrangements, says Mr Robert Halfnight, a China expert in the Ontario Government's Ministry of Industry and Trade. Ontario itself is trying to team up with China's Jiangsu Province by taking part in a joint project -- Ontario-Jiangsu Science Technology and Trade Centre.

Mr Halfnight says Ontario picked Jiangsu because it is one of the most developed provinces in China with a high standard of living.

According to Mr Peter Clute, executive assistant to the Ontario Industry Minister: "For every dollar we spend, we're looking for a 16-fold return in generating exports."

HU YAOBANG'S POLITICAL WORK IN 18TH CORPS, PART II

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[Article by Han Tiemin: "Hu Yaobang and the Political Work of the 18th Corps (Part II)"]

[Text] "Carry the Revolution Through to the End and Be Glorious to the End!"

On 4 April 1949, the Frontline Committee of the corps drew up the "decision on making preparations for marching forward", which explicitly pointed out: "It is the core of all work at present to carry out ideological education and mobilization among all commanders and fighters on 'liberating Xian, liberating the great northwest, and liberating the whole nation'." Based on the tasks assigned to the corps by the Central Military Commission and the spirit of the "decision of the Frontline Committee," Comrade Hu Yaobang carried out intense and highly effective work. He organized the personnel of the Political Department to go to grass-roots units, to understand the situation there, and to help them in their work. Day and night he consulted comrades in his investigation, went down to grass-roots units to give guidance for their work, held meetings for work planning, made reports to mobilize the troops, or wrote propaganda articles. In the fortnight between 2 and 16 May, the newspaper RENMIN ZIDIBIN BAO published 12 issues, which contained 8 articles written by Comrade Hu Yaobang, as well as the "eight major conditions for victory," the "four major aspects of mental preparations," and the "five major requirements" for marching toward the Great Northwest, which he personally drew up and published in the name of the corps Political Department.

An outstanding problem to be solved in ideological education and mobilization at that time was to help the troops overcome their homebound concept and to correct the trend among some people of seeking pleasure when there was a peaceful environment.

In guiding and helping the troops to solve this problem, Comrade Hu Yaobang did not take things as they stood, but helped the troops to basically raise their class consciousness. Resoundingly, he proposed that it was necessary to be determined to "carry the revolution through to the end and be glorious to the end!" He wrote articles to mobilize commanders and fighters to be resolute, saying: "Carry the revolution through to the end and be glorious to the end. We should be heroes who carry the revolution through to the end. We should by no means stop half way. It is necessary for us to carry forward our glorious tradition and value our glorious history. We should perform glorious new tasks and strive to win final glory." The articles pointed out: "Personal interests should be subjected to the interests of the revolution. It is the urgent demand of the people of the whole country that our Army march forward, and this is in the highest interests of the revolution as well. Any homebound concept, any narrowmindedness of sticking to one's own native land, any fear of difficulties, and any personal plan is a hindrance to our advance, and is therefore harmful to the revolution." "The old society will certainly be thoroughly overthrown. A new society will certainly be created by our own hands. We have far and wide vision. Bringing forward our heroism, marching on courageously, thoroughly wiping out the enemy, and consolidating the revolutionary interests of the people all include personal interests."

In the political mobilization for marching forward, Comrade Hu Yaobang attached great importance to relaying the new concepts and new requirements from the Central Committee to all commanders and fighters. In relaying and implementing these new concepts and requirements, he attached attention to linking with actual conditions. He made his speeches sharp and vivid and easy for others to remember. On the morning of 9 May 1949, Comrade Hu Yaobang delivered a report at a conference of cadres at and above the platoon level of units directly under the command of the corps. The report was not only strong in political ideology, but stimulating and convincing. For instance, in requiring the comrades to put into action their determination to "carry the revolution through to the end and being glorious to the end," he wanted them to be "mentally well prepared in four aspects." Apart from making pinpoint explanations of the nature of the required preparations, he summed up the two theme sentences in each of the four aspects in rhyming slogans: First, resolutely march forward and do away with homesickness, and eliminate the enemy with one heart and mind. Second, an expedition means a mobile warfare; we will become experts through practice in a long march. Third, the new liberated areas may be poorer in conditions; we must overcome the difficulties by bearing hardship and working diligently. Fourth, the masses in the new liberated areas have not been mobilized; we should all take an active part in mass work.

Adopt the Mass Line and Let the Masses Educate Themselves

Comrade Hu Yaobang regarded strong faith in the masses and full reliance on the masses as the basis and starting point of political work. According to Comrade Mao Zedong's persistent teachings and his own work experience, Comrade Hu Yaobang told the comrades of some original ideas: In order to fulfill heavy and arduous tasks, it is imperative to "implement the mass line of linking leadership with the masses. Through the mental activities of the masses, with the heightening of their consciousness, and with the deepening of their understanding, the masses will seek solutions out of their own needs. Thus the intentions of the leadership will become those of the masses, and the ideas of the masses will become those of the leadership. The responsibility of the leadership lies in being good at enlightening the consciousness of the masses, summing up their experiences, and bringing forward their initiative and creativity." He said: "The responsibility of the leadership is to be good at posing questions and to enlighten and guide the masses."

"It is necessary to be bold at giving a free hand to mobilizing the masses to put forth different opinions, and to unfold discussions and debates. We should be good at convincing the masses patiently and answering all difficult questions. We should also be good at mobilizing the masses to unfold progressive literature and art, make the masses go in for clapper talk [recitation of poems accompanied by clapping bamboo sticks together], writing short poems to be pasted on rifle butts, drawing caricatures, and writing plays; in other words, let them educate themselves."

In carrying out political mobilization for the march forward, Comrade Hu Yaobang posed five questions aimed at the actual conditions of the Army, yet stressing a solution with a mass line. He said: "Concerning the question of why it is necessary to march forward, it is necessary to adopt the method of pouring out grievances, recounting the fruits of victories, and telling stories such as the farmer being bitten by the snake. We must repeatedly discuss the necessity of marching forward, and the hidden dangers if we do not. We must shift their understanding from immediate personal interests and the interests of their families to class interests and the interests of the people, in order to stimulate their sense of honor and initiative in cherishing their own glorious deeds." Comrade Hu Yaobang called on the comrades to "turn their words into action. They should display the heroism of the People's Army," while "by no means making slight of the enemy."

The commanders and fighters of the corps were in high spirits. The corps was divided into two sections and marched westward with momentum.

When the troops of our corps were getting ready to march off, the PLA First Field Army took Xian with rapid action and liberated the center of reactionary rule on which Hu Zhongnan had entrenched for 13 years. Overestimating their own abilities, Hu Zhongnan, Ma Bufang, and Ma Hongda made a vain attempt to "return to Xianyang and to reoccupy Xian," believing that our force was not quite consolidated in those cities since the North China Field Army had not yet arrived to reinforce the 1st Field Army. Under the direct command of Commander in Chief Peng Dehuai, Division No 181 of our corps marched day and night and arrived in Xianyang, and heroically checked the fanatic counteroffensive of the "two Ma's."

When the blocking action began, Comrade Hu Yaobang rapidly wrote an article entitled "Be Mobilized! Resolutely Eliminate the Enemy Troops of Hu and the Ma's," which encouraged and stimulated the troops to resolutely do a good job in the campaign. With strong feelings, the article first analyzed the significance of winning the campaign and the conditions of our Army for an absolute victory. Then, from another angle, Hu warned our troops: "However, although the enemy is struggling on their deathbed, their military strength is not weak. It is necessary for us to understand that this will be a bitter struggle. In order to eliminate the enemy, it will take some time and will involve a certain price. Moreover, we arrived here in a hurry. We are fighting without ample preparations and we are not familiar with the conditions of the enemy and the terrain.

Therefore, it is necessary for us to be active in studying the enemy conditions and terrain and to get a clear understanding of the enemy's tactics, characteristics, and the law that governs their actions as soon as possible. We should by no means make slight of the enemy; by no means should we be careless."

In mid-July, the corps Political Department marched toward Baoji. Comrade Hu Yaobang rode on a jeep in the lead. Several of our comrades from the newspaper office followed on a truck from the printing shop. One day, when we arrived at the place where we were to camp, Comrade Hu Yaobang sent us a report he had written on the victory of this campaign. The report dealt with the results and significance of the victory of the campaign. Then it went on to propose ideologically and politically the new tasks and requirements for the corps: "Now we have crushed the entire defensive plan of the enemy and they are in a desperate position, running for their lives. However, the enemy is not entirely incompetent.

"Therefore, the task facing all comrades is to deprive the enemy of the chance of taking a breath. It is imperative for us to continue to march forward courageously, to overcome all difficulties and our tiredness, and to eliminate the enemy through our victory!"

On 11 October 1949, Comrade Hu Yaobang returned from Beijing after attending the Chinese People's Political Consultative Conference. On 16 November, the corps called a conference for cadres at and above regimental level, at which Comrade Hu Yaobang relayed the spirit of the Chinese People's Political Consultative Conference and delivered a report on mobilizing the corps to march toward Sichuan. He said that it was necessary for us to clarify to the troops, the following points:

1) It is a glorious task to take Sichuan; 2) it is not difficult to fulfill the glorious task; 3) Sichuan is a nice place; 4) there are certain tasks assigned to our corps; and 5) there will be some difficulties. "This will be our last major campaign. It is a once-in-a-lifetime opportunity. Every one of our comrades should grasp the chance to display his heroism, and we should bring our honor to Sichuan. Let us carry the revolution through to the end and be glorious to the end!"

"Cherish the Soldiers in Earnest and Consolidate the Army"

In marching westward, one of the important tasks for political work, apart from fighting the war, was to consolidate the Army and guard against desertion. Comrade Hu Yaobang held that to consolidate the Army, a fundamental point is for cadres to cherish the soldiers, apart from strengthening ideological education. He said: "leading cadres must become something like a magnet, capable of attracting all the soldiers; or they must become like a fireplace in winter, drawing the masses close so that every fighter will be willing to go through thick and thin with you in all sincerity."

Comrade Hu Yaobang all along had a firm grasp of this work, beginning with mobilizing the troops to march forward. On behalf of the corps party committee when he delivered the report "on summing up the current march" at the conference for cadres at and above regimental level, he talked about consolidating the Army and proposed the 10 "musts": "We must do a good job in this work in a big way;" "we must refrain from the method of pressing our subordinates;" "We must refrain from maltreating those fighters who have attempted desertion;" "we must abolish the so-called measure of uncovering a case;" "we must adopt ideological education aimed at raising class consciousness;" "we must cherish the soldiers in every respect;" "we must constantly unfold the democratic movement in military affairs, politics, and economics, and listen to the voices and suggestions of the soldiers;" "we must constantly examine the conditions of cherishing the soldiers in our units and the subjective causes for desertion;" and finally, when every cadre has really put into practice the nine musts mentioned above, the work of consolidating the army "must be done well." The 10 "musts" proposed by Comrade Hu Yaobang and his specific explanations highly generalized and systematized the experiences of uniting and consolidating the Army. Later, he wrote an article entitled "Cherish the Soldiers in Earnest and Consolidate the Army," in which he further analyzed the chief causes of problems in work concerning consolidating the Army: "First, it is precisely because we have not universally and ideologically set up the concept of cherishing the soldiers, and based on this, consolidated our Army." "Second, it is precisely because in our work, we lack the work style of going deep into actual conditions; we are not specific, meticulous, and lively; and we fail to promptly solve all kinds of problems existing in the Army."

"The First Issue Is Investigation, and the Second Is Propaganda"

Comrade Hu Yaobang summed up mass work in our Army into two major issue: "The first issue is investigation, and the second is propaganda." In early July, he wrote an article entitled "Do Mass Work in a Big Way, and Do Mass Work With a Mass Line." He presented concrete discussions on the two issues, "The aim of investigation is to understand the conditions of the society and the masses. The aim of propaganda is to make the masses understand the policies of our party and Army. These two issues must be closely linked. Investigation without propaganda is fruitless investigation. Propaganda without investigation is propaganda without a purpose." "The whole of our personnel must at all times and in all places do investigation and propaganda work among the masses. They should be done in every village we arrive in and in every household we come upon, so that everyone will literally take an active part in investigation and propaganda work."

Comrade Hu Yaobang attached great importance to carrying out education among the Army in observing discipline and cherishing the people. In early March 1949, Comrade Hu Yaobang had told the newspaper office to write an article based on the speech by Comrade Deng Xiaoping, who was then political commissar of the Central China Military Region, on implementing the three main rules of discipline and the eight points for attention, and to make an explicit explanation of the importance of observing discipline. According to Comrade Hu Yaobang's instructions, we quoted the incisive explanation of Political Commissar Deng Xiaoping on the three main rules of discipline and the eight points for attention at the very beginning of the article: "This is a question involving the implementation of the party's line and policies. Of the party's line and policies which ever one in the Army can and must carry out are the three main rules for discipline and the eight points for attention. This has been a rule since Chairman Mao founded the People's Liberation Army and established the basic requirements for a revolutionary soldier. Fighting a war is abstracted to obeying orders in all our actions; mass work is abstracted to not taking a single needle or piece of thread from the masses; and the preparation of funds is abstracted to turning in everything captured. The eight points for attention are the specifications of our policies and tasks..." This article played a very good role in raising the consciousness of everyone in observing discipline and cherishing the people.

In mid-June when the blocking action started, the corps Political Department was marching toward Xian. Comrade Hu Yaobang said in an instruction that now we were joining forces with our big brothers in the northwest, so the newspaper should attach attention to propagating learning from our big brothers in the northwest. Based on the instruction from Comrade Hu Yaobang, we compiled an article entitled "The Whole Army Should Learn From Our Big Brothers in the Northwest in Earnest," which was carried in issue No 129 of RENMIN ZIDIBIN BAO, with a byline of the corps Political Department. Such modesty by Comrade Hu Yaobang about learning from the merits of the fraternal units, which in turn strengthened the unity of the Army and cooperation in fighting in defeat of the enemy, is still of great vitality and far-reaching significance even today.

"Do Political Work in Grass-roots Units and on the Frontline!"

The corps then marched several thousand li. Because of varying conditions and different tasks, there were different focal points in the different phases when Comrade Hu Yaobang carried out political work. However, he always grasped one point, namely, doing a good job of ideological and political work in grass-roots units and strengthening the building of grass-roots units.

"The base of an army lies in the soldiers." At the front in Taiyuan, Comrade Hu Yaobang resoundingly proposed: "Do political work in grass-roots units and on the frontline!" In the article entitled "Do a good Job in the Building of Companies in Earnest" written in early February 1949, he made a vivid and incisive discussion on the utter importance of strengthening the building of grass-roots units. He said: "The companies are the basic organizations of an army, the fighting units of the army, the decisive forces for carrying out fighting tasks, the bridge to link leadership with the masses of soldiers, and the nerve center for the fulfillment of all tasks." "If our companies are strong, so will be the base of our Army; otherwise, the base will be bad." He required that "leading organs and cadres at and above the battalion level attach importance to companies, go deep into companies, work for them, and run them well!"

In order to strengthen the building of companies, the corps Political Department issued a special instruction on "earnestly building staunch party branches." The companies were very busy in their work, which had many aspects. Through investigation, Comrade Hu Yaobang generalized the chief tasks of a company in wartime as "being good in three respects"; "being good at fighting, with men very strong in battle; being good at observing and implementing policies and discipline, with men strong in the sense of discipline; and being united and good at consolidating the unit, with a very solid company. These three aspects are the important signs of a good company." In the westward march, the "three goods" campaign was universally carried out in all companies, and the building of companies was strengthened during the march.

In grasping the building of companies, Comrade Hu Yaobang also laid special stress on bringing up cadres and improving their quality. He pointed out: "Giving specific help to cadres and educating them is the key to carrying out all items of work." Today when we are studying Comrade Mao Zedong's concept of building the Army and the works of Comrade Deng Xiaoping, if we study at the same time Comrade Hu Yaobang's art of leading political work in the 18th Corps and his speeches and articles written at that time, it will be of great help to strengthen the political work of the Army, to building a revolutionary, modernized and regular Army, and to better fulfilling the general line and targets of the new historical period.

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